

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2011-271-E

In the Matter of:

Application of Duke Energy Carolinas,
LLC for Authority to Adjust and Increase
Its Electric Rates and Charges

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**DIRECT TESTIMONY OF
JEFFREY R. BAILEY FOR
DUKE ENERGY CAROLINAS, LLC**

1 **I. INTRODUCTION AND PURPOSE**

2 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND CURRENT**
3 **POSITION.**

4 A. My name is Jeffrey R. Bailey, and my business address is 1000 E. Main Street,
5 Plainfield, Indiana 46168. I am Director, Pricing and Analysis for Duke Energy
6 Carolinas, LLC (“Duke Energy Carolinas” or the “Company”) and its affiliated
7 utility operating companies.

8 **Q. WHAT ARE YOUR RESPONSIBILITIES AS DIRECTOR, PRICING AND**
9 **ANALYSIS?**

10 A. My primary responsibility is to provide rate analysis and to develop the rates and
11 charges contained in tariffs and contracts for gas or electric service for Duke
12 Energy Corporation’s (“Duke Energy”) utility operating companies, including
13 Duke Energy Carolinas.

14 **Q. PLEASE BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND.**

15 A. I received Bachelor of Science degrees in Industrial Management and Engineering
16 from Purdue University, West Lafayette, Indiana. I also received a Master of
17 Science degree majoring in Industrial Engineering from Purdue University.

18 **Q. PLEASE SUMMARIZE YOUR WORK EXPERIENCE.**

19 A. I began my employment with Duke Energy in 1990 as Supervisor, Rate
20 Engineering for PSI Energy, Inc. (“PSI”) (now known as Duke Energy Indiana,
21 Inc.). I was subsequently promoted to Manager, Rate Engineering in 1991. I held
22 several positions in the Rate, Pricing, and Market Planning areas until 1997, when
23 I accepted the position of Manager, Sales Analysis. In 2000, I joined the

1 Financial Operations Department, where I held the positions of Manager,
2 Financial Projects, and Manager, Finance. I returned to the Rate Department in
3 2002 as Manager, Pricing, and assumed my current position in October 2007.

4 Before joining PSI in 1990, I was employed by the Indiana Utility
5 Regulatory Commission (“IURC”). I began my employment there in 1983 as a
6 Staff Engineer. During my tenure with the IURC, I held several positions,
7 progressively increasing in responsibility, the last of which was Assistant Chief
8 Engineer. My primary responsibility as Assistant Chief Engineer was the
9 supervision of the gas and electric sections that investigated rate and regulatory
10 matters pending before the IURC.

11 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION**
12 **OR OTHER STATE UTILITY REGULATORY COMMISSIONS?**

13 A. I have testified before the Public Service Commission in Duke Energy Carolinas’
14 last general rate case in Docket No. 2009-226-E (“2009 Rate Case”). I also have
15 provided testimony on numerous occasions addressing rate design and other
16 issues to the Indiana Utility Regulatory Commission, the Kentucky Public Service
17 Commission, the Public Utilities Commission of Ohio, and the North Carolina
18 Utilities Commission.

19 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
20 **PROCEEDING?**

21 A. My testimony will demonstrate that the rates Duke Energy Carolinas proposes
22 reflect appropriate rate making principles and that they result in an equitable basis
23 for recovery of the Company’s revenue requirements across its various customer

1 classes and rate schedules. My testimony in this proceeding will also: (1)
2 describe proposed changes to the Company's retail electric rate schedules; (2)
3 quantify the effect of these proposed changes to our South Carolina retail electric
4 customers; and (3) discuss how we propose to implement the Company's tariffs
5 after the Commission's ruling in this proceeding.

6 **Q. PLEASE DESCRIBE THE EXHIBITS ATTACHED TO YOUR**
7 **TESTIMONY.**

8 A. The exhibits to my testimony are as follows:

- 9 • Bailey Exhibit 1 provides the South Carolina Retail Electric Rate
10 Schedules and Service Regulations Duke Energy Carolinas proposes to be
11 effective for service rendered on and after February 5, 2012, as required
12 by 26 S.C. Code Ann. Reg. 103-823(e) (Supp. 2010). This exhibit is the
13 same as Exhibit B to the Company's Application in this docket.
- 14 • Bailey Exhibit 2 is a base rate comparison that sets forth the South
15 Carolina retail rate design revenues under the Company's present and
16 proposed rate schedules, including the effects of rate consolidations. This
17 Exhibit, however, does not include the effect of migrations from potential
18 bill savings. Migrations are discussed in greater detail later in my
19 testimony.
- 20 • Bailey Exhibit 3 shows bill comparisons between the Company's present
21 and proposed rates. Included in these rate comparisons is an increase to
22 the base fuel component included in rates of \$0.001298 per kilowatt-hour
23 ("kWh").

- Bailey Exhibit 4, page 1 of 2, provides a comparison of rate of return by rate class and illustrates the total revenue requirement by class for which rates have been designed. Bailey Exhibit 4, page 2 of 2, shows the rate increases by class including the effect of riders.
- Bailey Exhibit 5 provides a historical comparison of return on rate base by rate class.
- Bailey Exhibit 6 provides a statement regarding the probable effect of proposed rates on peak demand and sales.
- Bailey Exhibit 7 illustrates the consolidated class impacts from the proposed increase, and reflects the class impacts contained in the Company's Application.

Q. WERE BAILEY EXHIBITS 1 THROUGH 7 PREPARED BY YOU OR UNDER YOUR SUPERVISION?

A. Yes, they were.

II. SUPPORT OF PRO FORMA ADJUSTMENTS

Q. DID YOU PROVIDE ANY DATA USED IN CONNECTION WITH THE PRO FORMA ADJUSTMENTS MADE TO THE TEST PERIOD IN THIS PROCEEDING?

A. Yes. I provided an increase in revenues above and beyond the Company's normal weather adjustment to compensate for the significant effects of weather during the Test Period and the size of the increase requested in this proceeding.

Q. WHAT IS THE RATIONALE FOR THIS ADJUSTMENT?

1 A. A major concern for the Company is the potential for sales levels to return to
2 more normal levels. If that occurs, the normal adjustment for weather, which is
3 priced at current rates, would create a deficiency caused by the differential
4 between current and proposed rates. The additional adjustment of \$9.686 million
5 modifies the typical weather adjustment to reflect proposed rates. In the event
6 sales return to normal levels, the Company's unit prices at proposed rates are
7 properly aligned with the higher sales levels and would not result in an
8 exaggerated revenue deficiency attributable to weather.

9 **III. RETAIL ELECTRIC RATE SCHEDULES**

10 **A. RATE DESIGN APPROACH**

11 **Q. HOW DID YOU DESIGN THE VARIOUS RATE SCHEDULES IN THIS**
12 **CASE?**

13 A. I used the cost of service information provided by Witness Stillman as a major
14 component for the rate design. As he describes in his testimony, the cost of
15 service study allocates costs to the various rate classes and separates the customer,
16 demand, and energy components of cost. We also reviewed the rates of return
17 across the customer classes emanating from the cost of service study.
18 Additionally, we reviewed the Company's load research data to examine
19 customers' usage characteristics and to determine relationships between energy
20 and demand, both on a coincident peak and non-coincident peak basis that might
21 prove pertinent to the design of the Company's rates.

22 **Q. WHAT ARE DUKE ENERGY CAROLINAS' RATE DESIGN**
23 **OBJECTIVES FOR THE RATES PROPOSED IN THIS PROCEEDING?**

1 A. As discussed by Witness Heigel, Duke Energy Carolinas is requesting a rate
2 increase in order to recover its costs of providing safe and reliable electric service
3 and to maintain a strong financial position as it remains in a period requiring
4 major capital expenditures. Witness Shrum testified to the additional revenue
5 required to recover the Company's cost of service. Therefore, the Company's
6 proposed rates must be designed to achieve the necessary increase to rates in
7 order to collect the total revenue requirement. However, in doing so our
8 objectives are also to further align the cost to serve customers within our
9 residential, general, and industrial rate schedules, and consolidate duplicative rate
10 schedules. Additionally, in support of the present application, we have completed
11 the consolidation of certain rate schedules, as approved by the Commission. We
12 also proposed to increase the Basic Facilities Charges ("BFC") to better reflect
13 customer-related costs as identified in the cost of service study.

14 **Q. WHAT ARE THE COMPANY'S SERVICE CLASSIFICATIONS AND**
15 **MAJOR RETAIL ELECTRIC RATE SCHEDULES?**

16 A. The Company's retail customers are separated into four major service
17 classifications: Residential, General, Industrial, and Lighting. The Company's
18 major retail electric rate schedules include: Rates RS and RE - Residential
19 Service; Rate SGS - Small General Service; Rate LGS - Large General Service;
20 Rate I - Industrial Service; Rate OPT - Optional Power Service, Time of Use;
21 and various lighting schedules. Together, these rate schedules comprise a
22 substantial portion of the Company's retail electric revenue requirement.

1 **Q. PLEASE EXPLAIN HOW THE REVENUES PRODUCED UNDER**
2 **CURRENT RATES COMPARE TO THE REVENUES THAT WOULD BE**
3 **PRODUCED BY THE PROPOSED RATES.**

4 A. As required by 26 S.C. Code Ann. Reg. 103-823(e) (Supp. 2010), Bailey Exhibit
5 2 sets forth a comparison of the revenue produced by the present schedules during
6 the Test Period with the revenue that would be produced under the proposed
7 schedules. For the purpose of comparison, both the present and proposed
8 revenues reflect the base fuel and fuel-related costs component discussed by
9 Witness McManeus in her testimony. The revenues produced by the schedules
10 shown in Columns (a) and (b) were calculated by using the South Carolina retail
11 sales for the Test Period. Column (c) shows the amount of additional revenue
12 produced by the proposed rates. The percentage increase for each rate schedule is
13 shown in Column (d). The revenues shown in Exhibit 2 eliminate Rate HP –
14 Hourly Pricing for Incremental Load – revenues due to the differences of
15 marginal cost versus embedded cost rate making. Historically, any additional
16 revenues allocated to this rate were borne by the respective baseline rates through
17 rate design; the cost of service treatment merely formalizes this approach. More
18 detail on the treatment of Rate HP from a cost of service perspective can be found
19 in the testimony of Witness Stillman.

20 **Q. HOW DO YOU PROPOSE TO ALLOCATE THE REVENUE INCREASE**
21 **AMONG THE RATE CLASSES?**

22 A. The increase has been allocated to the rate classes on the basis of their respective
23 contribution to rate base. This allocation methodology distributes the increase

1 equitably to the classes while maintaining each class' deficiency or surplus
2 contribution to return.

3 **Q. HOW WILL THE PROPOSED REVENUE INCREASE IMPACT THE**
4 **RESPECTIVE REVENUE CLASSES?**

5 A. The proposed revenue increase is distributed among classes of customers by
6 increasing the respective rate schedules by 16.84% for the residential
7 class, 11.24% for the general service class, 12.76% for the industrial class,
8 13.66% for Rate OPT, and 14.11% for the outdoor lighting class. Bailey Exhibit
9 7 provides further detail regarding the impacts of the proposed revenue increase.

10 **B. RESIDENTIAL SERVICE**

11 **Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO THE**
12 **RESIDENTIAL RATES.**

13 A. Rate Schedule RS, Residential Service, will continue to be the basic residential
14 service rate schedule available to all residential customers. Rate Schedule RE,
15 Residential Service, Electric Water Heating and Space Conditioning, will provide
16 customers with qualifying all-electric homes a lower price level for all kWh
17 usage. Additionally, the Company will continue to provide Rate Schedule ES,
18 Energy Star, to customers with homes that meet the qualifications for the Energy
19 Star Program. There are two categories under this rate with a lower rate provision
20 for all-electric customers. The Company also proposes to cancel Rate Schedule
21 RB, which was closed in the 1991 Rate Case. These customers will be migrated
22 to Rate Schedule RS.

1 **Q. WHAT OTHER CHANGES ARE PROPOSED FOR RESIDENTIAL**
2 **RATES?**

3 A. The Company also proposes to increase the BFC to better reflect the cost of
4 serving these customers.

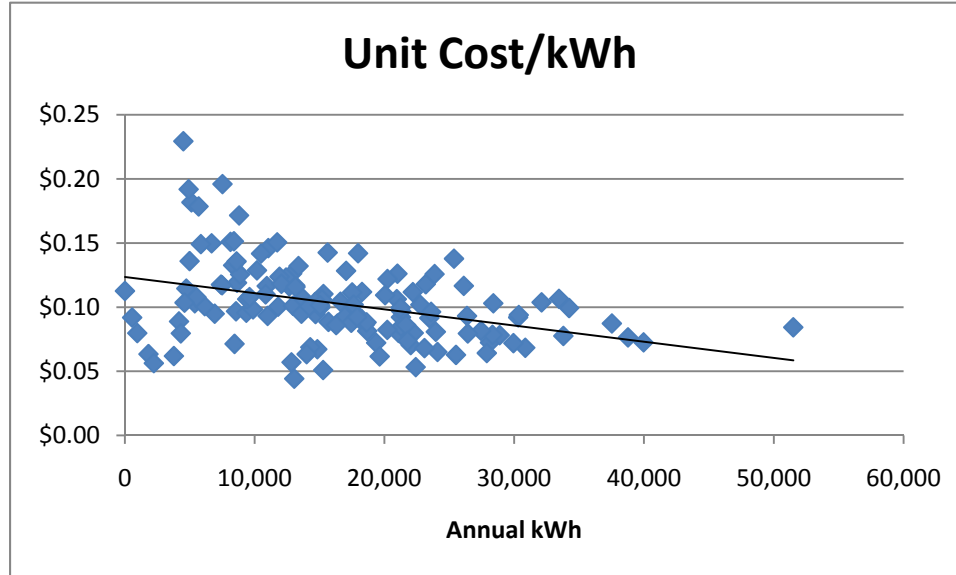
5 **Q. WHAT ANALYSIS WAS COMPLETED TO EVALUATE THE**
6 **STRUCTURE OF THE RESIDENTIAL RATES?**

7 A. We have developed a comprehensive model which uses the Company's hourly
8 load research data for residential customers along with the filed cost-of-service
9 study. The model uses the load research data and cost of service characteristics of
10 the residential customers to determine their total cost of service at various kWh
11 usage levels. The current rate structure is then compared to the calculated total
12 cost-of-service at each customer usage level. Using this information, we plotted
13 individual customers' annual kWh usage versus their annual cost-of-service per
14 kWh. We found that for the residential class of service, the cost of service per
15 kWh slightly decreases with an increase in annual energy consumption.

16 **Q. WHAT STRUCTURE FOR RESIDENTIAL RATES DOES THIS**
17 **ANALYSIS SUPPORT?**

18 A. Consistent with our previous findings, this analysis supports a flat or slightly
19 declining rate structure.

Graph 1 – Annual Usage vs. Cost-of-service per kWh



1 This graph demonstrates that the cost-of-service declines as the annual usage
2 increases.

3 **Q. DOES THE COMPANY PROPOSE ANY STRUCTURAL CHANGES TO**
4 **ITS RESIDENTIAL RATES?**

5 A. No, the Company is not proposing any major structural changes to its residential
6 rates. The Company's rate design models support a flat or slightly declining
7 block structure for the residential rates; therefore the current inverted rate design
8 will be evaluated in the future to better reflect the results of the rate design
9 models.

10 **Q. WHAT IS THE IMPACT OF THE RATE INCREASE ON THE**
11 **RESIDENTIAL CUSTOMERS' BILLS?**

1 A. Bailey Exhibit 3, page 1 of 3, illustrates the impact of the proposed increase,
2 combined with changes to the BFCs to most residential customers. Changes to
3 the BFCs will be discussed in more detail later in my testimony.

4 **C. GENERAL AND INDUSTRIAL SERVICE**

5 **Q. PLEASE DESCRIBE THE COMPANY’S REVIEW OF ITS GENERAL**
6 **AND INDUSTRIAL RATE SCHEDULES.**

7 A. We typically examine these rates by combining load research and cost of service
8 information to develop profiles of cost. With the Company’s rate schedules, we
9 can develop profiles of revenue by customers that fall within various hours of use
10 (or kWh per kilowatt (“kW”)) categories. These profiles of cost and revenue can
11 then be plotted to determine if the profile of revenue deviates from the profile of
12 cost. If significant deviations occur, modifications can be made to the rate
13 structure to reduce the deviation. However, our preliminary analysis indicated
14 that even minor structural changes where needed, coupled with the size of the
15 increase, could result in substantial changes to customers’ bills.

16 **Q. DOES THE COMPANY PROPOSE ANY STRUCTURAL CHANGES FOR**
17 **RATE SCHEDULES SGS, LGS, AND I?**

18 A. We have elected not to pursue major rate design changes to these schedules at this
19 time due to the already significant projected impacts to customers from the
20 proposed increase. The Company’s previous efforts to form SGS and LGS have
21 been reasonably successful; however, Rate SGS may still benefit from changes
22 designed to benefit smaller customers within that class. In addition, minor
23 structural changes such as the “Third Block” issue outlined in my testimony for

1 the 2009 Rate Case still remain. We will continue to monitor and evaluate
2 possible future changes to this rate.

3 **Q. PLEASE DESCRIBE THE COMPANY'S RATE DESIGN OBJECTIVE**
4 **FOR RATE SCHEDULE OPT (OPTIONAL POWER SERVICE, TIME-**
5 **OF-USE).**

6 A. Our rate design objective is to modify the rates to maintain a similar structure that
7 minimizes cost shifting within the class while collecting the total revenue
8 requirement. The rate is a well designed, high load factor rate that provides a
9 solid complement to our other schedules more suited to lower load factor
10 customers.

11 We have continued to evaluate rate design options that provide for
12 meaningful distinctions among the groups of customers eligible for this rate. For
13 this proceeding, we propose a new discount available only to new load in a new
14 establishment receiving initial permanent service after the effective date of tariffs
15 following an order in this proceeding. The discount will be provided for
16 qualifying customers who own the step-down transformer and all other facilities
17 beyond the transformation which the Company would normally own, except the
18 Company's metering equipment.

19 **Q. PLEASE DESCRIBE THE NEW TRANSFORMATION DISCOUNT THAT**
20 **WILL BE AVAILABLE ON SCHEDULES OPT-I AND OPT-G.**

21 A. The Transmission Service transformation discount will provide a reduction of
22 \$0.75 per kW to the charge per kW of Billing Demand for qualifying customers
23 taking service directly from the transmission service voltage level of 115kV or

1 lower. The Distribution discount will provide a reduction of \$0.50 per kW to the
2 charge per kW of Billing Demand for qualifying customers taking service directly
3 from the distribution service voltage level of 4160V or higher. The discounts are
4 based on the Company's avoided costs when the customer owns and maintains the
5 new equipment required to obtain the discounts. Again, the discounts are only
6 available to new load in a new establishment receiving initial permanent service
7 after the effective date of tariffs following an order in this proceeding.
8 Additionally, the Company proposes to make this discount available as a pilot
9 program for a two year period so the Company can learn more about customer
10 preferences, how it may best be applied, and any potential system impacts.

11 **Q. WHY IS THE COMPANY NOT MAKING THIS DISCOUNT AVAILABLE**
12 **TO EXISTING CUSTOMERS?**

13 A. Since this type of discount has not been offered historically, the Company has
14 never collected the necessary data to distinguish customers based on voltage level.
15 None of our systems currently contain sufficient information to make such
16 distinctions and the acquisition of such data would be cost prohibitive. More
17 importantly, since no price discount has been offered historically, customers had
18 no incentive to own transformation equipment and have frequently opted to have
19 the Company own and maintain the transformation. I believe it would be unfair
20 to our existing customer base that relied on these historical price signals to now
21 change a fundamental aspect of how the rate was designed and marketed. To
22 those customers who perhaps hoped for some relief in this area, Rate OPT is

1 constructed with declining demand charges that should partially compensate them
2 for this deficiency.

3 **Q. WHAT OTHER SIGNIFICANT CHANGES TO THE COMPANY'S**
4 **GENERAL AND INDUSTRIAL RATE SCHEDULES ARE PROPOSED?**

5 A. The Company conducted a review of the Rate HP schedule based on several
6 concerns. First, the level and frequency of rationing price premiums being
7 imposed on the hourly prices seemed excessive. Second, customers have
8 expressed concern over how the minimum bill provision is administered. Based
9 on our review, the Company proposes to modify the mechanics of the Rationing
10 Charge calculation, and change provisions to the Minimum Bill charge.

11 In addition to the above changes, we update the Incremental Demand
12 Charge to be more reflective of the cost to serve. The Company also desires to
13 formalize in the tariffs new methodologies for changes to Customer Baseline
14 Loadshapes ("CBL").

15 **Q. PLEASE DESCRIBE THE PROPOSED RATIONING FORMULA.**

16 A. During the summer of 2010, extreme temperatures and high loads caused the
17 rationing formula to consistently produce rationing charges at times when the
18 Company had adequate capacity to serve the load. Consequently, the Company
19 has modified the rationing formula to produce more reasonable and meaningful
20 results. In the new formula, the previous two triggers for load within 90% of the
21 forecasted summer peak and for high combustion turbine ("CT") usage are
22 collapsed into one component, based upon the daily forecasted system reserve
23 margin. Rationing will start when the Company's reserve margin, defined as

1 supply capacity less demand, falls below 1,800 MWs. This value is based upon
2 the System Operating Center's threshold to move from normal reserve conditions
3 to alert status. Each MW below 1,800 will be priced and incorporated into the
4 rationing stress price.

5 **Q. PLEASE DESCRIBE THE NEW MINIMUM BILL CALCULATION.**

6 A. The customer who is most likely to have the Minimum Bill applied is one with (1)
7 an erratic usage pattern over the year and may not incur an energy and demand
8 charge in each month, and (2) a spiking load shape in some months. Under these
9 conditions, the entire annual Minimum Bill charge may be applied in to the
10 customer's bill in one month. This can create financial stress for those customers
11 who may be subject to this provision.

12 The Company believes that the charge is reasonable and necessary
13 because it assists in recouping the Company's transmission and distribution costs
14 to serve the customer. To mitigate the impacts, the Company proposes that the
15 annual minimum bill charge be spread over a twelve month period, starting with
16 the month in which it is incurred and continuing into the following 11 monthly
17 bills, with each bill including an amount necessary to satisfy one twelfth (1/12) of
18 the annual minimum.

19 **Q. PLEASE DESCRIBE THE NEW INCREMENTAL DEMAND CHARGE.**

20 A. The Incremental Demand Charge contained in Rate HP is designed to compensate
21 the Company for increased usage on its distribution system and increased costs at
22 the local distribution level. The current price of \$0.26 per kW of usage above the
23 CBL has not been updated for some time. We believe this charge should be equal

1 to the economy demand charge developed for Rate OPT¹. Because this would be
2 an excessive increase, we propose to increase the current charge to \$0.51 per kW
3 and continue to make progress in unifying the charge with other schedules in
4 subsequent cases.

5 **Q. PLEASE DESCRIBE THE NEW MODIFICATIONS OF THE CBL.**

6 A. The Company recognizes that its business customers have a need for dual-fuel
7 equipment, such as boilers. The Company can better serve these unique load
8 shapes by offering the customer a flexible CBL. Under the current provision, the
9 CBL is fixed and can only be modified under certain situations. Flexibility is
10 needed because the conversion of gas or oil usage to electricity is inexact, as each
11 installation is unique, and the customer may not be able to accurately predict its
12 future electric usage.

13 The Company proposes to add two methods of modifying the CBL.
14 Under the first method, the CBL is estimated, but the customer will be allowed to
15 vary his monthly Net New Load within a range of 75% to 125% of the CBL.
16 Usage levels outside of this band will cause the off-peak CBL to be revised. The
17 on and off-peak periods are defined the same as contained in Rate OPT. The on-
18 peak CBL is not revised. Since the customers are expected to reduce load during
19 rationing hours, days in which rationing occurs will be deleted from the CBL
20 review. The second method is designed to benefit a customer who runs an
21 electric boiler, and may have a small amount of other facility load, especially
22 during the on-peak period. In this case, the CBL will be set to the actual off-peak

¹ See the discussion on Standby service later in my testimony.

1 load and is billed under Rate OPT. All on-peak load is billed using the HP prices
2 and schedule. Both of these methodologies have been incorporated into the
3 proposed Rate HP tariff.

4 **Q. WHAT ARE THE BASIC FACILITIES CHARGES FOR RESIDENTIAL,**
5 **GENERAL, AND INDUSTRIAL RATES SUPPORTED BY THE COST OF**
6 **SERVICE STUDY?**

7 A. The cost of service study supports a BFC for residential service of approximately
8 \$13.67 per customer per month. For the general and industrial rate schedules, the
9 cost of service study supports BFCs as follows: for Rate Schedules SGS, LGS,
10 and I, a BFC of approximately \$17.37, \$35.51, and \$28.52, respectively; and for
11 Rate Schedule OPT, a BFC of approximately \$49.42. We derived these charges
12 from the customer-related costs of providing service to the various customer
13 classes contained in the functional cost of service study provided by Witness
14 Stillman.

15 **Q. WHAT BASIC FACILITIES CHARGES DO YOU PROPOSE IN THIS**
16 **PROCEEDING?**

17 A. We propose to increase the BFCs to better reflect the cost to serve these customer
18 groups. In most cases, we propose to increase these charges by approximately
19 one-third of the difference between the current BFCs and those charges
20 determined in the cost of service study as indicated above. Based on this
21 methodology, we propose the following BFCs: Rate Schedules RS and RE, \$8.72;
22 Rate Schedules SGS, LGS, and I will be increased to \$11.38, \$18.70, and \$22.43,
23 respectively. Rate Schedule OPT's BFC will be increased to \$38.83.

1 **Q. HAVE YOU PREPARED RATE STRUCTURES FOR THE**
2 **COMMERCIAL AND INDUSTRIAL RATES?**

3 A. Yes. The Company has generally designed its rates under a fixed cost recovery
4 method, which seeks to allocate the additional fixed cost recovery across the
5 various components of each schedule, taking into account any changes to the
6 BFCs as previously discussed. This maintains the overall structure of the rate
7 without distortion relative to historical design.

8 **Q. WHAT IS THE IMPACT OF THE RATE DESIGN CHANGES ON THE**
9 **NONRESIDENTIAL CUSTOMERS' BILLS?**

10 A. Bailey Exhibit 3, pages 2 and 3, illustrates how changes to the general and
11 industrial rate designs will affect customers in the major proposed rates. These
12 are base rate comparisons, with the fuel modification previously described in my
13 testimony.

14 **D. LIGHTING RATES**

15 **Q. WHAT ARE THE COMPANY'S PROPOSED CHANGES TO ITS**
16 **LIGHTING SCHEDULES?**

17 A. As approved in the 2009 Rate Case, for Schedule GL, Governmental Lighting
18 Service, the monthly charges for service to luminaires requiring a new pole and /
19 or underground service installation will continue to be increased annually, until
20 these charges are equal to those in the rate structure of Schedule OL, Outdoor
21 Lighting Service. In addition to the rate increase, the rates in Schedule GL have
22 also been increased for the phase-in of the new pole and underground charges to
23 cover the final step of the phase-in to be effective January 1, 2012. This is the

1 third and final step of a three step phase-in and will avoid an additional filing
2 relative to Rate GL.

3 **E. STANDBY SERVICE**

4 **Q. PLEASE DESCRIBE STANDBY SERVICE AND WHAT THE COMPANY**
5 **HAS DONE TO MORE ADEQUATELY ADDRESS THE PRICING OF**
6 **THIS SERVICE.**

7 A. Standby service is when the Company provides service to customers whose
8 customer-owned generation fails and requires additional capacity and energy to
9 account for the lost generation. Several of the Company's tariffs have some form
10 of standby service, and we have developed a relatively straightforward approach
11 to pricing it.

12 In the most general sense, standby service should be priced to account for
13 the local facilities always required to be in place to serve the customer, including
14 the local distribution capacity required to serve the customer in the event the
15 customer-owned generation fails. We have priced this aspect of the service at a
16 weighted average of the distribution related facilities of Rates LGS, I, and OPT.

17 While it would be appropriate to include some additional costs for the
18 transmission and generation systems, these costs would be better priced on a
19 marginal cost basis or probabilistically applied to embedded costs. Given the
20 small amount of load currently receiving some form of standby service, and the
21 fact that the Company does not plan for standby load at the transmission or
22 generation level at this time, we have used only the distribution portion in pricing
23 standby service.

The derived rate for this service of \$1.84 per kW, based on the distribution component, can also be used to quantify other prices such as the economy demand charges in Rate OPT, as well as the distribution demand charge for Rate HP which is similarly distribution related. In short, this pricing component can be used to unify a number of different tariffs where standby or distribution related prices apply. In the interest of gradualism, we begin unifying these prices at \$1.3460 per kW.

F. MIGRATIONS

Q. DOES THE COMPANY PROPOSE TO REFLECT LOST REVENUES FROM CUSTOMER MIGRATIONS IN ITS GENERAL AND INDUSTRIAL RATE SCHEDULES?

A. Yes. Any time rates are redesigned or modified to produce a different revenue requirement, there is the potential that specific customers may be better off migrating to a rate schedule other than the one under which they are currently served. Our analysis has determined the potential migrations among the various rates. The estimated net lost revenue due to these migrations is \$2.8 million. Our experience indicates that, even with notifications described below, only about 50% of customers will actually migrate. Accordingly, we have reduced the total amount by 50% to \$1.4 million.

For consistency across exhibits and because the class impacts are small, we have not included the effects of these migrations in the proposed rate design. It is still the Company's intent to pursue this adjustment and include it in the design of compliance tariffs. This amount will be proportionally allocated to the

1 general and industrial rates based upon their respective increases and used to
2 develop the final design that will allow a reasonable prospect of recovering the
3 revenue requirement.

4 **Q. WHAT WAS THE CRITERIA FOR MIGRATION?**

5 A. For a customer to be considered in our migration analysis, it must save at least
6 five percent of its annual bill, and in addition it must save at least \$600 annually.

7 **Q. DOES THE COMPANY HAVE A COMMUNICATION PLAN TO**
8 **ENSURE THAT CUSTOMERS ARE PROPERLY NOTIFIED OF**
9 **MIGRATION POTENTIAL?**

10 A. Yes, we do. Duke Energy Carolinas' Business Relations Managers assigned to
11 larger customers will make direct contact with them. For smaller customers, we
12 plan to notify them following the Commission's final order in this proceeding
13 through a letter that will detail the potential bill savings. These steps help to
14 ensure that the amounts we have proposed for migrations are reasonable.

15 **Q. WHY DOES THE COMPANY BELIEVE ITS PROPOSED RATE**
16 **TREATMENT ASSOCIATED WITH EXPECTED MIGRATIONS IS**
17 **REASONABLE?**

18 A. Historically, the Company has been able to reflect the effects of customer
19 migrations in the development of its rates. This approach is reasonable for a
20 number of reasons. First, we provide several rate options to our customers that
21 allow them to select rates most favorable to their respective operations. Second,
22 we will put forth extensive effort to notify customers of potential bill savings.

1 Third, and, finally, we have adopted a conservative approach in the development
2 of the lost revenues from migrations.

3 **IV. RATE PARITY AMONG THE CLASSES**

4 **Q. PLEASE DISCUSS BAILEY EXHIBITS 4 AND 5 AND DUKE ENERGY**
5 **CAROLINAS' CONCERNS REGARDING THE HISTORICALLY**
6 **SIGNIFICANT RATE DISPARITY AMONG CUSTOMER CLASSES.**

7 A. Bailey Exhibit 4 illustrates the rates of return across classes emanating from the
8 Company's class cost of service study. As shown on Bailey Exhibit 5, over a
9 lengthy period, residential customers typically have been significantly subsidized.
10 This historical subsidy has been beyond the range of reasonableness, which we
11 define as class rates of return within 10% of the total Company rate of return.
12 More recent data suggest residential service has been within the lower boundary
13 of this range and the continuation of this trend is encouraging and desirable.
14 Industrial customers served under Rate I and general service customers continue
15 to provide a rate of return outside the upper boundary of the range.

16 To return the major classes, with the exception of lighting, to rates of
17 return within the range of reasonableness, a 43% reduction in subsidy / excess
18 levels has been proposed. It would require an approximate 90% reduction in
19 subsidy / excess levels to bring all major rate groups and subgroups within the
20 range of reasonableness. The Company remains committed to monitoring subsidy
21 / excess levels and making improvements to ensure its rates are fair across the
22 classes of customers served.

1 **V. IMPLEMENTATION ISSUES**

2 **Q. HOW DOES THE COMPANY PROPOSE THAT THE COMPANY'S**
3 **TARIFFS, INCLUDING THE PREVIOUSLY DISCUSSED RATES AND**
4 **CHARGES, BE IMPLEMENTED?**

5 A. We propose that Duke Energy Carolinas file with the Commission revised tariffs
6 consistent with the rates and charges approved in the Commission's final order in
7 this case, and that these compliance tariffs shall become effective on the
8 implementation date set by the Commission unless the Commission suspends the
9 rates or takes other action to prevent implementation of the rates.

10 **VI. SERVICE REGULATIONS**

11 **Q. WHAT CHANGES DOES DUKE ENERGY CAROLINAS PROPOSE TO**
12 **MAKE TO ITS SERVICE REGULATIONS?**

13 A. The Company does not propose to make any changes to language contained in its
14 current Service Regulations.

15 **VII. CONCLUSION**

16 **Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?**

17 A. Yes.

DUKE ENERGY CAROLINAS, LLC

SOUTH CAROLINA
INDEX OF RATE SCHEDULES
IN EXHIBIT B

<u>Electricity Schedule Name</u>	<u>Schedule Designation</u>	<u>Series No.</u>	<u>Leaf No.</u>	<u>Original or Revised Leaf</u>
Residential Service	RS (SC)	4	11	35 th (Proposed) Revised
Residential Service, Electric Water Heating and Space Conditioning	RE (SC)	4	13	36 th (Proposed) Revised
Residential Service, Energy Star	ES (SC)	4	14	11 th (Proposed) Revised
Residential Service, Time-of-Use	RT (SC)	4	15	35 th (Proposed) Revised
Residential Service, Water Heating, Controlled / Submetered	WC (SC)	4	17	34 th (Proposed) Revised
Residential Service	RB (SC)	4	18	33 rd (Proposed) Revised
Small General Service	SGS (SC)	4	21	2 nd (Proposed) Revised
Building Construction Service	BC (SC)	4	26	33 rd (Proposed) Revised
Large General Service	LGS (SC)	4	29	2 nd (Proposed) Revised
Floodlighting Service	FL (SC)	4	30	36 th (Proposed) Revised
Outdoor Lighting Service	OL (SC)	4	32	37 th (Proposed) Revised
Governmental Lighting Service	GL (SC)	4	33	2 nd (Proposed) Revised
Street and Public Lighting Service	PL (SC)	4	34	35 th (Proposed) Revised
Nonstandard Lighting Service	NL (SC)	4	35	2 nd (Proposed) Revised
Traffic Signal Service	TS (SC)	4	38	33 rd (Proposed) Revised
Industrial Service	I (SC)	4	41	34 th (Proposed) Revised
Optional Power Service, Time-of-Use	OPT (SC)	4	51	36 th (Proposed) Revised
Hourly Pricing for Incremental Load	HP (SC)	4	54	9 th (Proposed) Revised
Parallel Generation	PG (SC)	4	55	34 th (Proposed) Revised
Multiple Premises Service (Pilot)	MP (SC)	4	58	22 nd (Proposed) Revised
Transformation Discount Rider	TD (SC)	4	95	Original (Proposed)

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Original (Proposed) Leaf No.95

RIDER TD (SC)
TRANSFORMATION DISCOUNT
(Pilot)

AVAILABILITY (South Carolina only)

Available only to customers only for initial permanent service to a new establishment after (effective date of rates in Docket No. 2011-271-E) where the Customer owns the step-down transformation and all other facilities beyond the transformation which the Company would normally provide, other than Company metering equipment. This Rider is a pilot for two years.

GENERAL PROVISIONS

To qualify for the Transmission Service Discount, the Customer must take service at 115 kV or less from the transmission line that serves the Customer.

To qualify for the Distribution Service Discount, the Customer must take service from the distribution line of 4160 V or higher from which the customer receives service. The distribution service source must be from a general distribution line of 4160 V or higher, and not from a transmission to distribution substation built primarily for the Customer's use.

The Delivery Point is defined as the connection point to the high-side transformer bushing or the load-side of the metering facilities if no transformation is installed. The Company shall either install high-side metering equipment, or low-side metering equipment compensated for Customer-owned transformer and line losses, at the Company's option.

The Company shall have the right to install high-side protection equipment to ensure the reliability of the transmission system. The cost for such equipment and all other facilities which the Company provides in excess of that which the Company would have provided to meet the Customer's Contract Demand, shall be considered Extra Facilities as set forth in Leaf M of the Company's Service Regulations.

If it becomes impractical to continue to offer the then current delivery voltage, due to changes to the Company's system, the Customer shall be responsible for all costs of the conversion beyond the Delivery Point, other than Company owned-metering equipment. In such case, the Company reserves the right to provide service at one of its available voltages. The Company shall have the right to require that the Customer design and install its equipment in a manner that does not adversely impact service to the Customer or any other customer.

The Transformation Discount is subject to change if changes in the use of the Company's facilities result in a reclassification of either transformers or lines.

RATE

The charge per kW of Billing Demand will be reduced in accordance with the provisions and in the amounts as shown below for Transmission and Distribution Service

	<u>Transmission Service</u>	<u>Distribution Service</u>
Discount per kW of Billing Demand per month	\$.75	\$.50

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Third (Proposed) Revised Leaf No. 26
Superseding South Carolina Thirty-Second Revised Leaf No. 26

SCHEDULE BC (SC) BUILDING CONSTRUCTION SERVICE

AVAILABILITY (South Carolina Only)

Available only as temporary service to builders for use in the construction of buildings or other establishments which will receive, upon completion, permanent electric service from the Company's lines.

This Schedule is not available for permanent service to any building or other establishment, or for service to construction projects of types other than those described above. This Schedule is not available to rock crushers, asphalt plants, carnivals, fairs, or other non-permanent connections. Such service will be provided on one of the Company's General Service Schedules.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at 120/240 volts, single phase.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

Basic Facilities Charge	\$ 11.38
For the first 50 kWh used per month, per kWh	6.6536 ¢
For all over 50 kWh used per month, per kWh	5.2022 ¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

MINIMUM BILL

\$11.38 per month

OTHER CHARGES

There will be no charge for connection and disconnection of the temporary service if the builder accepts delivery at a point where the Company deems such delivery feasible; otherwise, there will be a charge as follows: Overhead service conductors, transformers and line extensions necessary to serve such requirements will be erected and dismantled at actual cost subject to credit for facilities which may remain in permanent service. The actual cost shall include payroll, transportation, and miscellaneous expense for both erection and dismantling of the temporary facilities, plus the cost of material used, less the salvage value of the material removed.

If the builder or his subcontractors require additional temporary services at the same construction site, a charge, computed as in the foregoing, shall be made for each such service.

The Company may require a deposit equal to the estimated cost of connection and disconnection plus the estimated billing on the foregoing rate for the period involved, said deposit to be returned if the contract period is fulfilled.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Third (Proposed) Revised Leaf No. 26
Superseding South Carolina Thirty-Second Revised Leaf No. 26

**SCHEDULE BC (SC)
BUILDING CONSTRUCTION SERVICE**

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The term of this contract shall be the estimated length of time, declared by the builder on making application for service, required for completion of construction at the location where service is requested. The builder shall notify the Company when construction is completed. If at any time during the term of this contract, inspection discloses construction completed, or energy being used for purposes other than that set forth in this Schedule, the contract shall be deemed terminated, and billing for service thereafter, until disconnection is requested, shall be on the one of the Company's general service schedules.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Eleventh (Proposed) Revised Leaf No. 14
Superseding South Carolina Tenth Revised Leaf No. 14

**SCHEDULE ES (SC)
RESIDENTIAL SERVICE, ENERGY STAR**

AVAILABILITY (South Carolina Only)

Available only to residential customers in residences, condominiums, mobile homes, or individually-metered apartments which provide independent and permanent facilities complete for living, sleeping, eating, cooking, and sanitation, and which are certified to meet the standards of the Energy Star program of the United States Department of Energy and Environmental Protection Agency.

To qualify for service under this Schedule, compliance with the Energy Star standards must be verified by a third party independent Home Energy Rating System (HERS) rater working for an approved HERS provider.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider NM, under special terms and conditions expressed in writing in the contract with the customer.

Electric space heating and/or electric domestic water heating are not required, but if present, must meet the standards outlined below to qualify for the All-Electric rate, and must be permanently installed in accordance with sound engineering practices and the manufacturer's recommendations. In addition, to qualify for service under this schedule all electric energy used in the dwelling must be recorded through a single meter.

Energy Star Home Certification criteria may vary based on the geographical location of the residence. The criteria for each county served by Company and a list of independent HERS raters are available from the Company or on the Energy Star web site at www.energystar.gov.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or
3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

	<u>Standard</u>	<u>All-Electric</u>
I. Basic Facilities Charge per month	\$ 8.72	\$ 8.72
II. Energy Charges		
For the first 1000 kWh used per month, per kWh	9.8265¢	8.6925¢
For all over 1000 kWh used per month, per kWh	10.7180¢	9.4492¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62 Energy Efficiency Rider
Leaf No. 65 Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77 Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to, all service supplied under this Schedule.

SCHEDULE ES (SC)
RESIDENTIAL SERVICE, ENERGY STAR

REQUIREMENTS

The Standard rate is applicable to residences where the Energy Star standards are met, irrespective of the source of energy used for water heating or environmental space conditioning.

The All-Electric rate is applicable to residences where the Energy Star standards are met and all energy required for all water heating, cooking, clothes drying, and environmental space conditioning is supplied electrically, except that which may be supplied by supplemental non-fossil sources such as solar.

Water heaters shall be of the automatic insulated storage type, of not less than 30-gallon capacity and may be equipped with only a lower element or with a lower element and an upper element.

1. Water heaters having only a lower element may have wattages up to but not exceeding the wattages shown below for various tank capacities.

<u>Tank Capacity in Gallons</u>	<u>Maximum Single Element Wattage</u>
30 - 49	4500
50 – 119	5500
120 and larger	Special approval

2. The total wattage of the elements in a water heater with a lower element and an upper element may not exceed the specific wattages above unless the water heater has interlocking thermostats to prevent simultaneous operation of the two elements such that the maximum wattage is not exceeded during operation.

Billing of service under this schedule will begin after the Customer has provided the Company with certification that the residence meets the Energy Star standards. In addition, if the residence meets the All-electric requirements, billing of service under the All-Electric rate will begin after the Customer has provided satisfactory documentation that the residence meets the All-Electric rate requirements. The Company at all reasonable times shall have the right to periodically inspect the premises of the Customer for compliance with the requirements, subsequent to the initial inspection.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee, or other fee assessed by or remitted to a state or local government authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Sixth (Proposed) Revised Leaf No. 30
Superseding South Carolina Thirty-Fifth Revised Leaf No. 30SCHEDULE FL (SC)
FLOODLIGHTING SERVICEAVAILABILITY (South Carolina Only)

Available to the individual customer at locations on the Company's distribution system which, in the Company's opinion, permit the use of bucket-type equipment for installation and servicing of facilities. Service under this Schedule may be withheld or discontinued at the option of the Company.

RATE:(A) Bracket-Mounted Luminaires

All-night outdoor lighting service using Company standard equipment mounted on standard poles:

<u>Lamp Rating</u>			<u>Per Month Per Luminaire*</u>		
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (1)</u> * Plus 0.0000 cents/kWh	<u>New Pole</u> * Plus 0.0000 cents/kWh	<u>New Pole Served</u> <u>Underground</u> * Plus 0.0000 cents/kWh
High Pressure Sodium Vapor					
16,000	70	Floodlight	\$ 12.93	\$ 19.92	\$ 24.89
27,500	104	Floodlight	\$ 15.30	\$ 24.49	\$ 29.46
50,000	156	Floodlight	\$ 17.12	\$ 26.32	\$ 31.28
Metal Halide					
40,000	155	Floodlight	\$ 20.55	\$ 29.74	\$ 34.71

- (1) The "Existing Pole" rate is applicable to installations, including pole, installed prior to November 18, 1991. After November 18, 1991, the "Existing Pole" rate is available only for luminaires attached to poles which are not installed solely to support the luminaire.

(B) Underground Charges

- (1) Additional monthly charge for the underground conductor system
\$.07 for each increment of 10 feet, or less, over 150 feet per pole.
- (2) When the installation requires the cutting and replacing of pavement, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the monthly charges above.
- (3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor.
- (4) An underground conductor system, up to 150 feet per pole, can be installed to an existing pole under the "Existing Pole" rate in (A) above, for an additional monthly charge of \$4.95 per pole. For installations over 150 feet per pole, the charges under (B) (1) above will apply in addition to the \$ 4.95 charge.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the rates shown above to determine the monthly bill.

Leaf No. 62 Energy Efficiency Rider
Leaf No. 65 Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77 Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Sixth (Proposed) Revised Leaf No. 30
Superseding South Carolina Thirty-Fifth Revised Leaf No. 30

**SCHEDULE FL (SC)
FLOODLIGHTING SERVICE**

EXPLANATORY NOTES AND OTHER CHARGES

- (1) Lamps will burn from approximately one half-hour after sunset until approximately one half-hour before sunrise. The Company will readily replace burned-out lamps and otherwise maintain the luminaires during regular daytime working hours following notification by the Customer.
- (2) Luminaires will be installed only on Company-owned poles, and all facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (3) Equipment (such as disconnecting switches) not supplied by the Company as standard is not available under this Schedule, and shall not be installed by the Customer.
- (4) This Schedule is not available for seasonal or other part-time operation of outdoor luminaires.
- (5) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source.
- (6) Where two or more luminaires were installed for service before November 18, 1991 on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.75.
- (7) Wood poles longer than 40 feet or structures other than standard wood poles may be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the requested pole or structure and a standard wood pole, but not less than \$5.35 per month per pole or structure.
- (8) Luminaire locations shall be designated by the Customer, and where only an extension of secondary facilities is required from the nearest distribution source, the rate per luminaire in (A) above shall apply. When the number of required poles exceeds the number of luminaires requested, a monthly charge not less than \$1.75 per standard wood pole shall be made for luminaires installed for service before November 18, 1991. A monthly charge not less than \$6.99 per standard pole shall be made for luminaires installed for service after November 18, 1991. When any installation requires an extension of primary facilities solely to serve the luminaires, an additional monthly charge equal to 1.7% of the estimated cost of the primary extension shall be made. Should any installation require guying of secondary facilities, a charge of 60 cents per month per guy shall be made.
- (9) At the Company's option and upon customer request, a monitoring device which automatically notifies the Company when a luminaire has failed can be installed for an additional charge of \$2.50, per month, per luminaire.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of three (3) years to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated by the Company as standard and bracket-mounted on standard poles.
- (b) Ten years for all luminaires designated by the Company as decorative or nonstandard, and for all standard luminaires mounted on supports other than standard wood poles, or other non-standard supports, and for primary extensions solely serving the luminaires.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 33
Superseding South Carolina First Revised Leaf No. 33SCHEDULE GL (SC)
GOVERNMENTAL LIGHTING SERVICEAVAILABILITY (South Carolina Only)

Available for all-night outdoor lighting service to Municipal, County State, and Federal Governments solely for the purpose of lighting public streets, highways, and other public places. All facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company. Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source. This Schedule is not available for service to non-governmental entities. This Schedule is not available for seasonal or other part-time operation of outdoor luminaires.

RATE:(A) Bracket-Mounted Luminaires

All-night street lighting service using overhead conductors and Company standard equipment mounted on standard wood poles. "Urban" luminaires are defined as "cobra-style" fixtures with enclosed refractive or flat lenses and horizontal-burning lamps. Existing Pole" is defined as a pole utilized for distribution facilities and not solely to support the luminaire.

Lamp Rating

<u>Lamp Rating</u>		<u>Style</u>	<u>Per Month Per Luminaire</u>		
<u>Lumens</u>	<u>kWh Per Month</u>		<u>Existing Pole (1)</u> * Plus 0.0000 cents/kWh	<u>New Pole</u> * Plus 0.0000 cents/kWh	<u>New Pole Served</u> <u>Underground</u> * Plus 0.0000 cents/kWh
High Pressure Sodium Vapor					
9,500	47	Urban	\$ 10.91	\$ 17.90	\$ 22.87
16,000	70	Urban	\$ 11.52	\$ 18.50	\$ 23.47
27,500	104	Urban	\$ 13.64	\$ 20.63	\$ 25.60
50,000	156	Urban	\$ 16.38	\$ 23.37	\$ 28.34
Metal Halide					
9,000	43	Urban	\$ 12.70	\$ 19.71	\$ 24.70
40,000	155	Urban	\$ 19.93	\$ 26.93	\$ 31.89
78,000	295	Area	\$ 46.91	\$ 56.11	\$ 61.07

- (1) The "Existing Pole rate is applicable to a luminaire installed on a pole which does not solely support the luminaire, or for an additional luminaire on the same pole as another luminaire.

(B) Other Luminaires

Decorative and non-standard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.7% of the estimated difference in cost installed between the luminaire and structure requested and the equivalent luminaire and wood pole in (A) above.

(C) Underground Charges

- (1) Additional monthly charge for the underground conductor system:
\$.07 for each increment of 10 feet, or less, over 150 feet per pole
- (2) When the installation requires the cutting and replacing of pavement, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the charges above.
- (3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.
- (4) An underground conductor system, up to 150 feet per pole, can be installed to an existing pole under the "Existing Pole" rate in (A) above, for an additional monthly charge of \$4.95 per pole. For installations over 150 feet per pole, the charges under (C) (1) above will apply in addition to the \$4.95 charge.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 33
Superseding South Carolina First Revised Leaf No. 33

SCHEDULE GL (SC)
GOVERNMENTAL LIGHTING SERVICE

(D) Other Charges

- (1) Wood poles longer than 40 feet may be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the standard wood pole and the pole requested. Other structures may be installed without a luminaire for a monthly charge of \$6.96 plus 1.7% of the estimated cost difference between the structure and the standard wood pole.
- (2) Standard wood poles may be provided for \$5.99 per pole per month when provided solely to support traffic signals.
- (3) Brackets longer than 12 feet, but not longer than 20 feet can be installed for an additional monthly charge of \$4.50
- (4) Should the number of poles in the secondary extension required to serve the luminaire(s) exceed the number of poles on which bracket-mounted luminaires are installed, a monthly charge of \$6.99 per pole shall be made for such excess number of poles.
- (5) When the installation requested requires a primary extension solely to serve the luminaires, an additional monthly charge of 1.7% of the estimated cost of the primary extension will be made.
- (6) At the Company's option and upon customer request, a monitoring device which automatically notifies the Company when a luminaire has failed can be installed for an additional charge of \$2.50 per month, per luminaire.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of three (3) years to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated as standard by the Company.
- (b) Ten years for all luminaires designated as decorative or nonstandard or when a primary extension is required solely to serve the luminaires.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Ninth (Proposed) Revised Leaf No. 54
Superseding South Carolina Eighth Revised Leaf No. 54

SCHEDULE HP (SC)
HOURLY PRICING FOR INCREMENTAL LOAD

AVAILABILITY (South Carolina Only)

Available to non-residential establishments with a minimum Contract Demand of 1000 KW who qualify for service under the Company's rate schedules LGS, I, OPT, or PG, at the Company's option on a voluntary basis. The maximum number of customers on the system to be served under this schedule is one hundred fifty (150).

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available for a customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

The Company may cancel this schedule at any time it deems necessary.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or

3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or

3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or

3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or

3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

BILL DETERMINATION

The monthly bill under this schedule shall be the sum of the Baseline Charge, Rationing Charge, Incremental Demand Charge, Standby Charge (if applicable), Energy Charge, and Power Factor Charge (if applicable)

Where: Baseline Charge = \$ amount calculated from CBL

Rationing Charge = Sum of [(New Load kWh per hour – Reduced Load kWh per hour) X Hourly Rationing Charge]

Incremental Demand Charge = Incremental Demand kW X \$.51 per kW

Standby Charge = (see Provision for Customers Operating in Parallel with the Company)

Energy Charge = (a) + (b)

Power Factor Charge = (see Power Factor Adjustment)

Where:

(a) = Sum of [(New Load kWh per hour – Reduced Load kWh per hour) X Hourly Energy Charge]

(b) = Net New Load kWh X .5 Cents per kWh Incentive Margin, but not less than zero.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Ninth (Proposed) Revised Leaf No. 54
Superseding South Carolina Eighth Revised Leaf No. 54

SCHEDULE HP (SC)
HOURLY PRICING FOR INCREMENTAL LOAD

DEFINITIONS

Customer Baseline Load (CBL): The CBL (kWh per hour) is one full year (365 days) of the individual customer's hourly loads representing the customer's energy use and load pattern on the applicable qualifying rate schedule. The CBL, as agreed to by the Customer and the Company, is used to define the level of kWh in each hour, above which all kWh will be billed at the hourly energy prices described under Schedule HP.

Baseline Contract Demand: The maximum monthly billing demand of the CBL.

New Load: New Load (kWh per hour) is the amount by which actual kWh in any hour exceeds the CBL kWh for the same hour.

Reduced Load: Reduced Load (kWh per hour) is the amount by which actual kWh in any hour is less than the CBL kWh for the same hour.

Net New Load: Net New Load (kWh per month) is the sum of New Load kWh per hour during the month less the sum of Reduced Load kWh per hour during the month.

Incremental Demand: The Incremental Demand for local distribution facilities (kW per month) is the amount by which the maximum integrated 30-minute demand during the month for which the bill is rendered exceeds billing demand used in determining the baseline charge for the same period.

Month: The term "month" as used in the Schedule means the period intervening between readings of electronic pulse data for the purpose of monthly billings. Such data will be collected each month at intervals of approximately thirty (30) days.

Contract Demand: The Company will require contracts to specify a Contract Demand which will be the maximum demand to be delivered under normal conditions.

RATE:

Baseline Charge: The Baseline Charge (\$/month) is determined each month by calculating a bill on the current revision of the customer's qualifying rate schedule using Customer Baseline Load for the month to arrive at the appropriate monthly demand and energy amounts. Provisions of the qualifying rate schedule, including Determination of Billing Demand, Adjustment for Fuel Cost, applicable Riders, Extra Facilities Charge, Interconnection Facilities Charge, etc. will apply to the bill calculation used to determine the Baseline Charge.

Rationing Charge: The Rationing Charge (¢/kWh) consists of a generation component and/or a transmission component and/or a distribution component and will be determined on an hourly basis during the month. The components apply to any hour of the month when reserve margins are expected to be below 1,800 mWhs. The deficit reserve amount is equal to 1,800 less the expected reserve amount. Each deficit mWh will be priced by the appropriate component. The generation and transmission components apply to all customers. The distribution component applies only to distribution-served customers. If the above condition does not occur during the month, the Rationing Charge will be zero. The Rationing Price will be communicated as described in Energy Price Determination.

Incremental Demand Charge: \$.51 per kW per month

Energy Charge: The Energy Charge (¢/kWh) is the hourly charge equal to expected marginal production cost including line losses, and other directly-related costs. The Energy Charge will be communicated as described in Energy Price Determination.

Incentive Margin: .5¢ per kWh which is applied to Net New Load, but shall not be less than zero.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Ninth (Proposed) Revised Leaf No. 54
Superseding South Carolina Eighth Revised Leaf No. 54

SCHEDULE HP (SC)
HOURLY PRICING FOR INCREMENTAL LOAD

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under the Schedule, used in determination of the Baseline Charge.

MINIMUM BILL

The Monthly Minimum Bill shall be the Baseline Charge, Rationing Charge, Incremental Demand Charge, Standby Charge and Energy Charge, but not less than \$1.84 per kW per month of Baseline Contract Demand plus \$.51 per month multiplied by the difference between Contract Demand and Baseline Contract Demand. However, for customers under contract for this Schedule as of (effective date of order in Docket No. 2011-271-E, the Minimum Bill will continue to be calculated on an annual basis until expiration of the contract year and will be the Baseline Charge, Rationing Charge, Incremental Demand Charge, Standby Charge and Energy Charge summed over the year. The total for the year of CBL Demand Charges plus Standby Charges plus Incremental Demand Charges plus the Incentive Margin applied to Net New Load, shall not be less than the total of \$22.08 per kW per year of Baseline Contract Demand plus \$6.12 per kW per year multiplied by the difference between Contract Demand and Baseline Contract Demand. At the end of the contract year, the Minimum bill shall be calculated on a monthly basis.

DETERMINATION OF PRICING PERIODS

Each hour of the day is a distinct pricing period. The initial pricing period of the day is a one-hour period beginning at 12:00:01 a.m. and ending at 1:00:00 a.m. The last pricing hour of the day begins at 11:00:01 p.m. and ends at 12:00 midnight.

ENERGY PRICE DETERMINATION

Each business day by 4:00 p.m., the hourly Energy Charges, and Rationing Charges, if applicable, for the 24 hours of the following day will be communicated to the Customer. Prices for weekends and Company holidays will be communicated to the Customer by 4:00 p.m. on the last business day before the weekend or holiday. The customer is responsible for notifying the company if he fails to receive the price information.

PROVISION FOR CUSTOMERS OPERATING IN PARALLEL WITH THE COMPANY

If a customer has power generating facilities operated in parallel with the Company and the Baseline Charge is not calculated under Schedule PG, the Standby Charge, along with the paragraphs, Determination of Standby Charges and Interconnection Facilities Charge shall be applicable to service under this schedule. The Incremental Demand Charge does not apply to any incremental demand that is less than Standby Demand

PROVISION FOR CUSTOMERS SERVED UNDER RIDER IS

For customers served under Rider IS, the Interruptible Contract Demand shall be the same as that contracted for during the baseline period. Further, the calculation of the Effective Interruptible Demand (EID) each month will exclude all energy consumed above the CBL. The Rationing Charge will not apply to reduced load above Firm Contract Demand during the hours of interruption periods.

PROVISION FOR CUSTOMERS SERVED UNDER RIDER PS

For customers served under PowerShare, Rider PS, the Maximum Curtailable Demand shall be the same as that contracted for during the baseline period and the PowerShare Firm Demand must be at least 200 kW less than the Customer Baseline (CBL). Further, the calculation of the Effective Curtailable Demand (ECD) each month will exclude all energy consumed above the CBL. The PowerShare Curtailed Energy Credit will apply to only the load curtailed between the Firm Demand and the smaller of the Forecasted Demand and the CBL, provided the Forecasted Demand is greater than the Firm Demand. The Hourly Energy Charge and Hourly Rationing Charge will not apply to HP Reduced Load above the PowerShare Firm Demand during a Curtailment Period.

POWER FACTOR ADJUSTMENT

The Company will adjust, for power factor, the kWh for any customer operating in parallel, and may adjust the kWh for any other customer served under this schedule. The power factor adjustment may result in a Power Factor Charge, if applicable, as follows:

Power Factor Charge = Sum of Hourly Load Correction Amounts for all hours in the billing period, but not less than zero,

Where:

Hourly Load Correction Amount = Hourly Load Correction kWh X Hourly Price

Hourly Load Correction kWh = [total hourly kWh X (.85 ÷ hourly power factor)] – total hourly kWh

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Ninth (Proposed) Revised Leaf No. 54
Superseding South Carolina Eighth Revised Leaf No. 54

SCHEDULE HP (SC)
HOURLY PRICING FOR INCREMENTAL LOAD

EXTRA FACILITIES CHARGE

A monthly "Extra Facilities Charge" equal to 1.7% of the installed cost of extra facilities necessary for service under Schedule HP but not less than \$25, shall be billed to the Customer in addition to the bill under Schedule HP described under Bill Determination and any applicable Extra Facilities Charge included in the Baseline Charge.

MODIFICATIONS OF THE CBL

The CBL will normally represent a full year under the same rate design or structure, and may be reestablished every four years. Modifications to the CBL may be allowed at the option of the Company under certain situations. These situations may include, but are not limited to, the following:

- Adjustments of load patterns associated with annual plant shutdowns, or to smooth random variations in the load pattern, provided the modifications result in revenue neutrality
- One-time permanent modifications to the physical establishment capacity completed prior to initiating service on this schedule
- Adjustments to reflect any Company-sponsored load management program.

For a Customer operating a dual-fuel boiler under this Schedule, the rate schedule used to calculate the baseline charges will be OPT with all on-peak energy above the baseline billed at the hourly price under this Schedule. The off-peak baseline (CBL) will be determined based on one of the following at the customer's option.

1. The off-peak CBL will be established as provided for this schedule except that the baseline may be adjusted during any month during which the actual usage is plus or minus 25% of the, except that any period during the month for which a Rationing Charge is imposed will be excluded from this criteria.
2. The off-peak CBL will be reestablished each month based on the Customer's actual load.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each Customer shall enter into a contract to purchase electricity under this schedule for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing.

If the Customer requests an amendment to or termination of the agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 41
Superseding South Carolina Thirty-Third Revised Leaf No. 41SCHEDULE I (SC)
INDUSTRIAL SERVICEAVAILABILITY (South Carolina Only)

Available only to establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, or for service in conjunction with Rider NM, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$22.43
II.	Demand Charge	
	For the first 30 kW of Billing Demand per month, per kW	No Charge
	For all over 30 kW of Billing Demand per month, per kW	\$4.10
II.	Energy Charge	
	<u>For the First 125 kWh per kW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month, per kWh	12.1371¢
	For the next 87,000 kWh per month, per kWh	6.5499¢
	For all over 90,000 kWh per month, per kWh	4.8774¢
	<u>For the Next 275 kWh per kW Billing Demand per Month:</u>	
	For the first 140,000 kWh per month, per kWh	6.5426¢
	For the next 60,000 kWh per month, per kWh	6.1354¢
	For all over 200,000 kWh per month, per kWh	5.6124¢
	<u>For all Over 400 kWh per kW Billing Demand per Month:</u>	
	For the first 1,000,000 kWh per month, per kWh	5.4270¢
	For all over 1,000,000 kWh per month, per kWh	5.1000¢

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 41
Superseding South Carolina Thirty-Third Revised Leaf No. 41

**SCHEDULE I (SC)
INDUSTRIAL SERVICE**

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

- A. For establishments served under this schedule where environmental space conditioning is required and all energy for all such conditioning (heating and cooling) is supplied electrically through the same meter as all other energy used in the establishment, the Billing Demand each month shall be the largest of the following:
1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
 2. Fifty percent (50%) of the maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
 3. Fifty percent (50%) of the Contract Demand
 4. 15 kilowatts (kW)

Note: The minimum billing demand for contracts made prior to March 15, 1971, shall be 5 kW until the maximum integrated thirty-minute demand becomes 15 kW, after which the minimum billing demand for such contracts shall be 15 kW. The Company will install a permanent demand meter for all customers meeting the requirements of (A) above.

- B. For all other customers served under this schedule, the Billing Demand each month shall be the largest of the following:
1. The maximum integrated thirty-minute demand in the previous 12 months including the month for which the bill is rendered.
 2. Fifty percent (50%) of the Contract Demand
 3. 30 kilowatts (kW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 kW or more. The Company may, at its option, install a demand meter for any customer served under (B) above.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

Monthly

\$1.78 per kW per month of Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

Annual

\$33.99 per kW per year of Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 41
Superseding South Carolina Thirty-Third Revised Leaf No. 41

**SCHEDULE I (SC)
INDUSTRIAL SERVICE**

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 29
Superseding South Carolina First Revised Leaf No. 29

SCHEDULE LGS (SC)
GENERAL SERVICE

AVAILABILITY (South Carolina Only)

Available to the individual customer with a kilowatt demand of more than 75 kW. If the customer's measure demand is 75 kW or less for twelve consecutive months, the customer will be served under Schedule SGS.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available to the individual customer who qualifies for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider NM, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$18.70
II.	Demand Charge	
	For the first 30 kW of Billing Demand per kW, per month	No Charge
	For all over 30 kW of Billing Demand per kW, per month	\$4.09
II.	Energy Charge	
	<u>For the First 125 kWh per KW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month, per kWh	13.3058¢
	For the next 87,000 kWh per month, per kWh	7.2076¢
	For all over 90,000 kWh per month, per kWh	5.9583¢
	<u>For the Next 275 kWh per KW Billing Demand per Month:</u>	
	For the first 6,000 kWh per month, per kWh	7.2953¢
	For the next 134,000 kWh per month, per kWh	7.2184¢
	For all over 140,000 kWh per month, per kWh	6.4366¢
	<u>For all Over 400 kWh per KW Billing Demand per Month:</u>	
	For all kWh per month, per kWh	5.7288¢

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 29
Superseding South Carolina First Revised Leaf No. 29

SCHEDULE LGS (SC)
GENERAL SERVICE

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
2. Fifty percent (50%) of the maximum integrated thirty-minute demand during the billing months of June-September within the previous 12 months including the month for which the bill is rendered.
3. Fifty percent (50%) of the Contract Demand
4. 30 kilowatts (kW)

The Company will install a permanent demand meter for all customers under this Schedule.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

Monthly

\$1.86 per kW per month of the Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

Annual

\$35.45 per kW per year of the Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 29
Superseding South Carolina First Revised Leaf No. 29

SCHEDULE LGS (SC)
GENERAL SERVICE

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4

South Carolina Twenty-Second (Proposed) Revised Leaf No. 58
Superseding South Carolina Twenty-First Revised Leaf No. 58

SCHEDULE MP (SC)
MULTIPLE PREMISES SERVICE
(Pilot)

AVAILABILITY

This schedule is closed and not available to customers not served on this Schedule prior to February 1, 2010 and shall remain in effect for both new and existing locations of customers under continually effective agreements for this Schedule made prior to February 1, 2010.

Available, at the Company's option, to up to twenty business entities on the Duke system for service to two or more non-contiguous premises, located entirely within the state of South Carolina, provided that the total of the contract demands for all premises served under this schedule is at least 5000 kW, and provided that each delivery point has a minimum contract demand of 30 kW. A business entity is defined as a single corporation, partnership, or individual owner. This schedule is not available for individual franchise units of a business, nor for subsidiaries operating as a separate corporation or partnership. The Company will make the final determination as to what constitutes a business entity and applicable premises to be served under this schedule.

Service under this schedule is not available when multiple delivery points exist on contiguous premises unless such multiple delivery points are combined under the Extra Facilities provision of the Company's Service Regulations. For the purposes of this rate, premises is defined as the land and buildings or other facilities on it that require the use of electricity. The customer will not be required to include a delivery point with other services provided to the premises, if the service has a contract demand of less than 30 kW. Service to such delivery points will be served under another applicable schedule.

This Schedule is not available to establishments that would otherwise qualify for a residential service schedule. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights of way, privileges, franchises, permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed, or is prevented from furnishing the power by its failure to secure and retain such rights of way, rights, privileges, franchises, and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

	<u>Transmission</u>	<u>Distribution</u>
I. Basic Facilities Charge per month	\$38.83	\$38.83
II. Demand Charge		
	<u>Summer Months</u>	<u>Winter Months</u>
A. On-Peak Demand Charge	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
Transmission Level Billing Demand, per kW	\$18.3135	\$10.4276
Distribution Level Billing Demand, per kW	\$19.8447	\$11.9589
B. Excess Demand Charge		
Each KW of the Excess Demand, per kW	\$1.3460	\$1.3460

Duke Energy Carolinas, LLC

Electricity No. 4

South Carolina Twenty-Second (Proposed) Revised Leaf No. 58
Superseding South Carolina Twenty-First Revised Leaf No. 58

SCHEDULE MP (SC)
MULTIPLE PREMISES SERVICE
(Pilot)

III. Energy Charges

The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".

	<u>General Service</u>	<u>Industrial Service</u>
	<u>All Months</u>	<u>All Months</u>
A. On-Peak energy per month, per kW	6.7460¢	6.7460¢
B. Off-Peak energy per month, per kW	3.2355¢	3.2355¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	Summer Months <u>June 1 – September 30</u>	Winter Months <u>October 1 – May 31</u>
On-Peak Hours	1:00 p.m. – 9:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday - Friday
Off-Peak Hours	All other weekday hours and all Saturday and Sunday hours.	

DETERMINATION OF BILLING DEMAND

- A. The On-Peak Billing Demand each month shall be the largest of the following:
1. The 30-minute integrated demand which is coincident with maximum 30-minute integrated demand for all customer premises served under this schedule.
 2. Fifty percent (50%) of the Premises Contract Demand
 3. 30 kW

Transmission Level Billing Demand applies to a delivery point served from the Company's 44 kV system or above, provided that the delivery voltage is a minimum of 4 kV for initial permanent service to a premises. Distribution Level Billing Demand applies to all other premises served under this schedule.

When the 30-minute integrated demand which is coincident with maximum 30-minute integrated demand for all customer premises served under this schedule cannot be determined due to either commencement of service at a premises after the beginning of the billing period, or cessation of service at a premises prior to the end of the normal billing period, then the highest 30-minute integrated demand for the premises during the on-peak period served for that month will be used in (A.1) above.

B. Excess Demand

To determine the Excess Demand, the maximum integrated thirty-minute demand for the month for which the bill is rendered shall be compared to the On-Peak Billing Demand as determined in (A.) above. The difference shall be the Excess Demand for billing purposes.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Twenty-Second (Proposed) Revised Leaf No. 58
Superseding South Carolina Twenty-First Revised Leaf No. 58

SCHEDULE MP (SC)
MULTIPLE PREMISES SERVICE
(Pilot)

BILLING PROCEDURES

The Company will calculate a separate charge for each premises served under this schedule. Each premises will be billed a Basic Facilities Charge, Demand Charge, Energy Charge, and if applicable, Extra Facilities Charges, and Remote Metering Charges. Any applicable sales tax or other fee assessed by or remitted to a state or local governmental authority will be added to the charge for each premises. The total of the bills calculated for each premises will be provided to the Customer.

CONTRACT DEMAND

The Company will require contracts for each premises to specify a Premises Contract Demand. The Premises Contract Demand shall be the maximum demand to be delivered to each premises under normal conditions. The sum of the Premises Contract Demands for each premises served under this schedule shall be known as the Total Multiple Premises Contract Demand and shall not be less than 5000 kW.

METERING AND OTHER EQUIPMENT

Service supplied under this schedule will be metered through a metering system capable of measuring electrical demand and energy at all hours each day. For billing purposes, demand and energy will be determined from electronic pulse data, in lieu of readings taken from a standard meter.

If an individual premise to be served has a contract demand of 5000 kW or greater, no additional metering charges are applicable; however, if the contract demand is less than 5000 kW, remote metering charges in accordance with the Company's Remote Meter Reading and Usage Data Service will apply.

The Company shall have the right to install special metering and load research devices on the Customer's equipment, and the right to use the Customer's telephone line for communication with the Company's and the Customer's equipment.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

Summer hours and rates are applicable for service from June 1 through September 30. Winter hours and rates are applicable for service from October 1 through May 31.

MINIMUM BILL

The minimum bill shall be the bill for each premises calculated on the rate above.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local government authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Twenty-Second (Proposed) Revised Leaf No. 58
Superseding South Carolina Twenty-First Revised Leaf No. 58

SCHEDULE MP (SC)
MULTIPLE PREMISES SERVICE
(Pilot)

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or any time thereafter, by giving at least sixty (60) days previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances. Each customer served under this pilot shall enter a contract to be served under this schedule for a minimum of one (1) year. The Company reserves the right to terminate service supplied under this schedule for any violation of the terms and conditions of this schedule.

If the Customer requests an amendment to or termination of the agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

SCHEDULE NL (SC)
NONSTANDARD LIGHTING SERVICE

AVAILABILITY (South Carolina Only)

Available, at the Company's option, for outdoor lighting applications not offered under one of the Company's standard lighting tariffs which may include new technologies. The type of luminaire(s) and services provided will be included in the contract with the Customer.

RATE:

The monthly rate for this service will be determined as follows:

Monthly Services Payment = Levelized Capital Cost + Expenses+ [Energy per month X 5.2435 ¢ per kWh]

Where:

Levelized Capital Cost is equal to the present value of all estimated capital related cash flows for a period corresponding to the time of engineering, design and installation of equipment through the term of the contract, adjusted to a pre-tax amount and converted to a uniform monthly payment for the term of the contract. The estimated capital cash flows shall include installed cost of equipment, contingency allowances, property taxes, salvage value, adjustment to reflect additional supporting investment of general plant nature, and income tax impacts.

Expenses shall equal the present value of estimated expenses associated with the support and maintenance of the generation and equipment, adjusted to a pre-tax amount and converted to a uniform monthly payment for the term of the contract. The estimated expenses shall include administrative and general expenses, expenses for labor and materials related to operations and maintenance, third party expenses for operations and maintenance, warranties, insurance, annual costs associated with working capital, other costs related to the operation and support of the lighting installation, and income tax impacts.

The after tax cost of capital from the Company's most recent general rate case will be used to convert present values to uniform monthly payments.

Energy is the equal to the estimated average kilowatt hours used per month under this agreement.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rate shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1½ %) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract for Nonstandard Lighting Service from the Company for an original term of five (5) years, after which agreement terminates unless the customer enters into a new five (5) year contract for Nonstandard Lighting Service. In the event of early termination of an Agreement under this program, the Customer may be required to pay the Company a termination fee equal to the net present value of the Monthly Service Fee, less the Energy Charge, for the remainder of the term of the contract. However, if any successor customer has requested service supplied under this schedule prior to the effective date of the termination, the termination charge will be waived or reduced based on the contract of the successor customer.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Seventh (Proposed) Revised Leaf No. 32
Superseding South Carolina Thirty-Sixth Revised Leaf No. 32SCHEDULE OL (SC)
OUTDOOR LIGHTING SERVICEAVAILABILITY (South Carolina Only)

Available to the individual customer for lighting of private outdoor areas at locations on the Company's distribution system. Service under this Schedule may be withheld or discontinued at the option of the Company.

RATE:(A) Bracket-Mounted Luminaires

All-night outdoor lighting service using Company standard equipment mounted on standard poles:

<u>Lamp Rating</u>			<u>Per Month Per Luminaire*</u>		
<u>Lumens</u>	<u>kWh Per Month</u>	<u>Style</u>	<u>Existing Pole (1)</u> *Plus 0.0000 cents/kWh	<u>New Pole</u> *Plus 0.0000 cents/kWh	<u>New Pole Served Underground</u> *Plus 0.0000 cents/kWh
High Pressure Sodium Vapor					
4,000	21	Post Top (2)	NA	NA	\$ 16.15
9,500	47	Suburban (3)	\$ 9.50	\$ 16.49	\$ 21.46
9,500	47	Urban	\$ 10.91	\$ 17.90	\$ 22.87
13,000	56	Suburban (6) (in suitable mercury fixture)	\$ 10.39	NA	NA
16,000	70	Urban	\$ 11.52	\$ 18.50	\$ 23.47
27,500	104	Urban	\$ 13.64	\$ 20.63	\$ 25.60
50,000	156	Urban	\$ 16.38	\$ 23.37	\$ 28.34
Metal Halide					
9,000	43	Urban	\$ 12.70	\$ 19.71	\$ 24.70
40,000	155	Urban	\$ 19.93	\$ 26.93	\$ 31.89
78,000	295	Area	\$ 46.91	\$ 56.11	\$ 61.07
110,000	395	Area (9)	\$ 63.61	\$ 72.81	\$ 77.77
Mercury Vapor** (Closed to new installation)					
4,000	41	Post Top (2)	\$ 8.09(4)	NA	\$ 16.36(8)
4,000	41	Suburban (5)	\$ 6.37	NA	NA
4,000	41	Post Top (7)	\$ 10.35	NA	NA
4,000	41	Post Top (7)	\$ 13.36	NA	NA
7,500	75	Post Top (7)	\$ 12.97	NA	NA
7,500	75	Suburban (3)	\$ 8.44	\$ 15.43	\$ 20.39
7,500	75	Urban (8)	\$ 9.67	\$ 16.66	\$ 21.61
20,000	152	Urban (8)	\$ 13.10	\$ 20.09	\$ 25.06

- (1) The "Existing Pole" rate is applicable to installations, including pole, installed by November 18, 1991. After November 18, 1991, the "Existing Pole" rate is available only for luminaires attached to poles which are not installed solely to support the luminaire.
- (2) Luminaire is not available for the lighting of streets, roadways, and other vehicle thoroughfares.
- (3) Closed to new installations on or after July 1, 2005
- (4) Closed to new installations on or after November 18, 1991.
- (5) Closed to new installations on or after January 1, 1973.
- (6) Closed to new installations on or after October 8, 1985.
- (7) Closed to new installations on or after January 17, 1975.
- (8) Closed to new contracts on or after October 1, 2007 for luminaires installed before January 1, 2008
- (9) Closed to new installations after February 1, 2010

** For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be available from suppliers. When ballast replacement is required, the Company will either convert the light to another light of similar size where the fixture can accommodate metal halide ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Seventh (Proposed) Revised Leaf No. 32
Superseding South Carolina Thirty-Sixth Revised Leaf No. 32

SCHEDULE OL (SC)
OUTDOOR LIGHTING SERVICE

(B) Other Luminaires

Decorative and non-standard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.7% of the estimated difference in cost installed between the luminaire and structure requested and the equivalent luminaire and wood pole in (A) above.

(C) Underground Charges

- (1) Additional monthly charge for the underground conductor system
\$.07 for each increment of 10 feet, or less, over 150 feet per pole
- (2) When the installation requires the cutting and replacing of pavement, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the charges above.
- (3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.
- (4) An underground conductor system, up to 150 feet per pole, can be installed to an existing pole under the "Existing Pole" rate in (A) for an additional monthly charge of \$4.95 per pole. For installations over 150 feet per pole, the charges under (C) (1) will apply in addition to the \$4.95 charge.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cent/kWh rider increment or decrement must be added to the rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

EXPLANATORY NOTES AND OTHER CHARGES

- (1) Lamps will burn from approximately one half-hour after sunset until approximately one half-hour before sunrise. The Company will readily replace burned-out lamps and otherwise maintain the luminaires during regular daytime working hours following notification by the Customer.
- (2) Luminaires will be installed only on Company-owned poles, and all facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.
- (3) Equipment (such as disconnecting switches) not supplied by the Company as standard is not available under this Schedule, and shall not be installed by the Customer.
- (4) This Schedule is not available for seasonal or other part-time operation of outdoor luminaires.
- (5) Color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$1.05 per lamp per month. For luminaires installed prior to October 1, 2007 there will be no additional charge for color-improved lamps installed as replacements for clear mercury vapor luminaires, nor for color improved lamps installed in new luminaires on or after October 1, 2007.
- (6) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source.
- (7) All luminaires except the 110,000 lumen metal halide fixture will be installed on standard 30-foot, class 6 size wood poles. The 110,000 lumen metal halide fixture will be installed on standard 40-foot, class 5 wood poles. On Customer request, and for an additional charge, all luminaires, except the 110,000 lumen metal halide fixture can be installed on wood poles larger than the standard 30-foot, class 6 size, if the location permits the use of bucket-type equipment for mounting and servicing: 35-foot, class 5 pole for 25 cents per month, or 40-foot, class 5 pole for 35 cents per month. Other size poles, or structures other than standard wood poles, can be installed for an extra monthly charge equal to 1.7% of the estimated installed cost difference between the requested pole or structure, and the standard wood pole, but not less than \$5.35 per month per pole or structure. Brackets longer than the standard length of 30 inches, but not longer than 20 feet, can be installed where use of bucket-type equipment is permitted for an extra charge of 70 cents per month per bracket.
- (8) Where two or more luminaires were installed for service before November 18, 1991 on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.75.

SCHEDULE OL (SC)
OUTDOOR LIGHTING SERVICE

- (9) Luminaire locations shall be designated by the Customer and where only an extension of secondary facilities is required from the nearest distribution source, the rate per luminaire in (A) above shall apply. When the number of required poles exceeds the number of luminaires requested, a monthly charge not less than \$1.75 per standard wood pole shall be made for luminaires installed for service before November 18, 1991. A monthly charge of \$6.99 per standard wood pole shall be made for luminaires installed for service after November 18, 1991. When any installation requires an extension of primary facilities solely to serve the luminaires, an additional monthly charge equal to 1.7% of the estimated cost of the primary extension shall be made. Should any installation require guying of secondary facilities, a charge of 60 cents per month per guy shall be made.
- (10) "Suburban" luminaires are defined as standard NEMA-style fixtures with refractors and vertical-burning lamps. "Urban" luminaires are defined as "cobra-style" fixtures with enclosed refractive or flat lenses and horizontal-burning lamps.
- (11) At the Company's option and upon customer request, a monitoring device which automatically notifies the Company when a luminaire has failed can be installed for an additional charge of \$2.50, per month, per luminaire.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of one (1) year to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) One year for all luminaires installed at a residence and designated by the Company as standard, post top and bracket-mounted on standard poles.
- (b) Three years for all luminaires not installed at a residence and designated by the Company as standard, post top and bracket-mounted on standard poles.
- (c) Ten years for all luminaires designated by the Company as decorative or nonstandard, and for all standard luminaires mounted on supports other than standard wood poles, for non-standard luminaires or other non-standard supports, and for primary extensions solely serving the luminaires.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Sixth (Proposed) Revised Leaf No. 51
Superseding South Carolina Thirty-Fifth Revised Leaf No. 51SCHEDULE OPT (SC)
OPTIONAL POWER SERVICE, TIME-OF-USEAVAILABILITY (South Carolina Only)

Available to the individual customer.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

This Schedule is not available to the individual customer who qualifies for a residential schedule, nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider NM, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge, per month	\$38.83	
II.	Demand Charge	Summer Months	Winter Months
	A. On-Peak Demand Charge per month	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
	For the first 2000 kW of Billing Demand per kW, per month	\$17.3801	\$10.1755
	For the next 3000 kW of Billing Demand per kW, per month	\$15.4177	\$ 8.4765
	For all over 5000 kW of Billing Demand per kW, per month	\$12.4278	\$ 6.2900
	B. Economy Demand Charge per month	\$ 1.3460	\$ 1.3460
III.	Energy Charge		
	The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service".		
		<u>General Service</u>	<u>Industrial Service</u>
		<u>All Months</u>	<u>All Months</u>
	A. All On-Peak Energy per month, per kWh	6.7460 ¢	6.7460 ¢
	B. All Off-Peak Energy per month, per kWh	3.2355 ¢	3.2355 ¢

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Sixth (Proposed) Revised Leaf No. 51
Superseding South Carolina Thirty-Fifth Revised Leaf No. 51

SCHEDULE OPT (SC)
OPTIONAL POWER SERVICE, TIME-OF-USE

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

	<u>Summer Months</u> <u>June 1 – September 30</u>	<u>Winter Months</u> <u>October 1 – May 31</u>
On-Peak Period Hours	1:00 p.m. – 9:00 p.m. Monday – Friday	6:00 a.m. – 1:00 p.m. Monday – Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours.	

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

CONTRACT DEMAND

The Company will require contracts to specify the maximum demand to be delivered to the Customer which shall be the Contract Demand.

Where the Customer can restrict on-peak demand to levels considerably below that of the Contract Demand, the Company may also contract for a limited On-Peak Contract Demand in addition to the Contract Demand. The On-Peak Contract Demand is the maximum demand to be delivered to the Customer during the On-Peak Hours of any month.

DETERMINATION OF BILLING DEMAND

- A. The On-Peak Billing Demand each month shall be the largest of the following:
1. The maximum integrated thirty-minute demand during the applicable summer or winter on-peak period during the month for which the bill is rendered.
 2. Fifty percent (50%) of the Contract Demand (or 50% of the On-Peak Contract Demand if such is specified in the contract)
 3. 15 kilowatts (kW)
- B. Economy Demand
- To determine the Economy Demand, the larger of
1. The maximum integrated thirty-minute demand during the month for which the bill is rendered; or
 2. 50% of the Contract Demand
- shall be compared to the On-Peak Billing Demand as determined in A. above. If the demand determined by the larger of B. 1 and B. 2 above exceeds the On-Peak Billing Demand, the difference shall be the Economy Demand.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the sum of the On-Peak Demand Charge and the Economy Demand Charge shall not be less than \$1.82 per month per kW of Contract Demand. If the Customer's measured demand exceeds the Contract Demand, the Company may at any time establish the minimum based on the maximum integrated demand in the previous twelve months including the month for which the bill is rendered.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Sixth (Proposed) Revised Leaf No. 51
Superseding South Carolina Thirty-Fifth Revised Leaf No. 51

SCHEDULE OPT (SC)
OPTIONAL POWER SERVICE, TIME-OF-USE

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and shall automatically renew thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 55
Superseding South Carolina Thirty-Third Revised Leaf No. 55SCHEDULE PG (SC)
PARALLEL GENERATIONAVAILABILITY (South Carolina Only)

Available only to non-residential establishments which have generating facilities not in excess of eighty (80) megawatts which are interconnected with the Company's system.

Service under this Schedule shall be used solely by the individual contracting Customer in a single enterprise, located entirely on a single, contiguous premise.

The Customer's interconnected power generating facilities may be operated in parallel with the Company's system. Power delivered under this schedule shall not be used for resale or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Power Company, except at the option of the Company, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one metering point, at one delivery point, at one of the following approximate voltages where available, upon mutual agreement:

- 3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
- 3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
- 3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
- 3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

		<u>Interconnected To</u>	
		<u>Transmission System</u>	<u>Distribution System</u>
CHARGES			
I.	Customer Charge per month:	\$ 50.35	\$ 50.35
II.	On-Peak Demand Charge per On-Peak month, per kW	\$ 13.5933	\$16.1914
III.	Energy Charge		
	The Energy Charge for customers receiving service in establishments classified as "Manufacturing Industries" by the Standard Industrial Classification Manual published by the United States Government, and where more than 50% of the electric energy consumption of such establishment is used for its manufacturing processes is shown below under "Industrial Service". The rate for all other customers on this schedule is shown under "General Service."		
		<u>Transmission System</u>	<u>Distribution System</u>
	<u>General Service</u>		
	a. All On-Peak Energy per month, per kWh	4.5297¢	4.6115¢
	b. All Off-Peak Energy per month, per kWh	4.0601¢	4.1364¢
	<u>Industrial Service</u>		
	a. All On-Peak Energy per month, per kWh	4.5297¢	4.6115¢
	b. All Off-Peak Energy per month, per kWh	4.0601¢	4.1364¢
IV.	Standby Charge per month, per kW	\$1.3460	\$1.3460

CREDITS

Credits for excess energy supplied to the Company will be provided at the rates in Schedule PP (SC).

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 55
Superseding South Carolina Thirty-Third Revised Leaf No. 55

**SCHEDULE PG (SC)
PARALLEL GENERATION**

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh Charges shown above to determine the monthly bill. These riders do not apply to the Credits.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENTS FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

DETERMINATION OF ON-PEAK AND OFF-PEAK PERIODS

On-Peak Period Hours	7:00 a.m. - 11:00 p.m. Monday – Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period of time between meter readings for the purpose of monthly billings. Readings are taken once a month at intervals of approximately thirty (30) days.

On-Peak Months	Billing Months of December, January, February, March, June, July, August, September
Off-Peak Months	Billing Months of April, May, October, November

CONTRACT DEMAND

The Company will require contracts to specify a Contract Demand. The Contract Demand shall be the maximum demand to be delivered under normal conditions to the Customer during the on-peak periods of the On-peak Billing months of December through March and June through September.

DETERMINATION OF DEMAND CHARGES

The On-Peak Demand for billing purposes shall be the largest of the following:

1. The maximum integrated thirty-minute demand during the on-peak period during the On-Peak month for which the bill is rendered.
2. Seventy-five percent (75%) of the Contract Demand
3. 30 kilowatts (kW)

Demand charges are applicable for the billing months of December through March and June through September. Demand charges do not apply in the billing months of October, November, April, or May.

DETERMINATION OF STANDBY CHARGE

The Company will require each customer who supplies any portion of his electrical requirements by his generating facilities to contract for standby, auxiliary, or breakdown service. For billing purposes the Standby kW will be based on the nameplate capacity in kilowatts of the Customer's generating facility.

However, at the option of the Customer, additional metering facilities will be installed and for billing purposes, the Standby kW will be based on the Customer's maximum integrated thirty-minute demand which has been supplied by the Customer's generating facilities during the previous twelve months, including the month for which the bill is rendered. If additional metering facilities are installed, they will be subject to a monthly Extra Facilities Charge.

INTERCONNECTION FACILITIES CHARGE

The Customer shall be responsible for providing suitable control and protective devices on his equipment to assure no disturbance to other customers of the Company or to the Company itself, and to protect the Customer's facilities from all loss or damage which could result from operation with the Company's system.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 55
Superseding South Carolina Thirty-Third Revised Leaf No. 55

**SCHEDULE PG (SC)
PARALLEL GENERATION**

The Company will furnish, install, own, and maintain interconnection facilities necessary for service under this Schedule including:

- suitable control and protective devices installed on the Company's equipment to allow operation of the Customer's generating facilities;
- metering facilities equipped to prevent reverse registration for the measurement of service under this Schedule; and
- any other modification to its system required to serve the Customer under this Schedule as required by the Company.

All such interconnection facilities in excess of those required in the absence of the Customer's generating facilities to provide capacity at the level of the Contract Demand shall be subject to a monthly charge under the Extra Facilities provision of the Company's Service Regulations. The Company reserves the right to install, at any time, facilities necessary for the appropriate measurement of service under this Schedule and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

DETERMINATION OF DEMAND CREDITS (See Rate Paragraph for applicability)

Demand credits will be based on the maximum thirty-minute integrated demand which is continuously supplied to the Company during the on-peak periods of the months of June through September and December through March, and will be applied to the Customer's bill in the appropriate month.

POWER FACTOR CORRECTION

When the average monthly power factor of the power required by the Customer from the Company is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

When the average monthly power factor of the power supplied by the Customer to the Company is less than 90 percent or greater than 97 percent, the Company may correct the maximum integrated on-peak demand in kilowatts or the energy in kilowatt-hours, as appropriate.

The Company reserves the right to install facilities necessary for the measurement of power factor and to adjust the Interconnection Facilities Charge accordingly, solely at the option of the Company.

MINIMUM BILL

The minimum monthly bill shall be calculated on the Rate above including the Customer Charge, On-Peak Demand Charge, Energy Charge, Standby Charge, etc., but the Demand Charge component billed during the On-Peak months shall be based on not less than 75% of the Contract Demand. If the Customer's demand measured during normal operating conditions exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

Credit billings to the Customer will be credited to the Customer's account, or, at the option of the Customer and upon ten (10) days' prior written notice, shall be payable to the Customer within fifteen (15) days of the date of the bill.

CONTRACT PERIOD

Each customer shall enter into a contract for a minimum original term of five (5) years and thereafter until terminated by giving at least thirty (30) months' previous notice of such termination in writing, but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

The Company reserves the right to terminate the Customer's contract under this Schedule at any time upon written notice to the Customer in the event that the Customer violates any of the terms or conditions of this Schedule or operates his generating facilities in a manner which is detrimental to the Company or any of its customers. In the event of early termination of a contract under this Schedule, the Customer will be required to pay the Company for the costs due to such early cancellation.

If the Customer requests an amendment to or termination of the agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fifth (Proposed) Revised Leaf No. 34
Superseding South Carolina Thirty-Fourth Revised Leaf No. 34

SCHEDULE PL (SC) STREET AND PUBLIC LIGHTING SERVICE

AVAILABILITY (South Carolina Only)

This schedule is closed and not available for service to new installations after February 1, 2010 but remains in effect for continually effective agreements under this schedule. Available for the purpose of lighting streets, highways, parks and other public places for Municipal, County State, and Federal Governments, at locations inside or outside municipal limits on the Company's distribution system. This Schedule is not available for service to non-governmental entities.

RATE:

(A) Bracket-Mounted Luminaires

All-night street lighting service using overhead conductors and Company standard equipment mounted on standard wood poles:

Lamp Rating			Per Month Per Luminaire*	
Lumens	kWh Per Month	Style	Inside	Outside
			<u>Municipal Limits</u>	<u>Municipal Limits</u>
			* Plus 0.0000 cents/kWh	* Plus 0.0000 cents/kWh
High Pressure Sodium Vapor				
9,500	47	Suburban (1)	\$ 9.75	\$ 10.30
9,500	47	Urban	\$ 11.33	\$ 11.89
13,000	56	Suburban (2) (in suitable mercury fixture)	\$ 10.82	\$ 11.38
16,000	70	Urban	\$ 12.10	\$ 12.64
27,500	104	Urban	\$ 14.43	\$ 14.98
38,000	136	Urban (3) (in suitable mercury fixture)	\$ 15.76	\$ 16.31
50,000	156	Urban	\$ 17.59	\$ 18.14
140,000	391	Urban (installed on 55-foot wood pole)	\$ 36.65	\$ 37.20
Metal Halide				
40,000	155	Urban	\$ 21.59	\$ 22.14
Mercury Vapor ** (Closed to new installations)				
4,000	41	Suburban (1)	\$ 6.29	NA
4,000	41	Post Top (4)	\$ 10.78	\$ 11.30
4,000	41	Bracket (5)	NA	\$ 6.85
7,500	75	Post Top (4)	\$ 13.74	\$ 14.30
7,500	75	Suburban (1)	\$ 8.62	\$ 9.17
7,500	75	Urban (6)	\$ 10.00	\$ 10.56
20,000	152	Urban (6)	\$ 13.87	\$ 14.43
55,000	393	Urban (6)	\$ 28.03	\$ 28.58

- (1) Closed to new installations on or after July 1, 2005
- (2) Closed to new installations on or after February 18, 1987.
- (3) Closed to new installations on or after November 18, 1991.
- (4) Closed to new installations on or after January 17, 1975.
- (5) Closed to new installations on or after June 30, 1972.
- (6) Closed to new contracts on or after October 1, 2007 for luminaires installed before January 1, 2008

** For mercury vapor luminaires installed prior to January 1, 2008, the Company will continue to replace lamps and make repairs other than ballasts, as long as mercury vapor lamps continue to be reasonably available from suppliers. If a ballast replacement is required, the Company will either convert the luminaire to another luminaire of similar size and lumen output where the luminaire can utilize reasonably available compatible ballast, or provide the closest size high pressure sodium luminaire under the applicable rate for the modified luminaire.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fifth (Proposed) Revised Leaf No. 34
Superseding South Carolina Thirty-Fourth Revised Leaf No. 34

SCHEDULE PL (SC) STREET AND PUBLIC LIGHTING SERVICE

(B) Other Luminaires

Decorative and non-standard luminaires can be installed on request, at the Company's option, at the rate in (A) above plus an extra monthly charge equal to 1.7% of the estimated installed cost difference between the luminaire and structure requested, and, the equivalent luminaire and standard pole.

(C) Underground Charges

(1) Additional monthly charge for the underground conductor system:

<u>Feet Per Pole</u>	<u>From Overhead System</u>	<u>From Underground System</u>
0 – 100 feet	\$.50	\$.35
101 – 200 feet	\$.90	\$.75
Over 200 feet	\$.90 plus \$.07 for each increment of 10 feet, or less, over 200 feet	\$.75 plus \$.07 for each increment of 10 feet, or less, over 200 feet

(2) When the installation requires the cutting and replacing of pavement of more than one drive or one walkway per luminaire, 1.7% of the estimated cost of this cutting and replacing of pavement will be added to the monthly charges above.

(3) When an installation is in an area served by a concrete-encased duct system, additional charges stated above will not apply and, instead, the additional monthly charge will be 1.7% of the estimated cost of the underground conductor system.

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

EXPLANATORY NOTES AND OTHER CHARGES

- (1) The installation of bracket-mounted luminaires in (A) above includes the Company's 40-foot, standard wood poles.
 - (a) Wood poles longer than 40 feet, or structures other than standard wood poles, may be installed for an extra monthly charge equal 1.7% of the estimated installed cost difference between the luminaires and structures requested, and equivalent luminaires and standard poles, and such extra charge shall not be less than \$5.35 per month, per pole or other structure.
 - (b) The Company's standard metal street lighting pole may be installed for an extra monthly charge of \$5.35 per month, per pole.
 - (c) The Company's standard metal mast-arm pole may be installed for an extra monthly charge of \$5.35 plus 1.7% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole, per month, per pole. The standard metal mast-arm pole may be installed without a luminaire for a monthly charge of \$7.10 plus 1.7% of the estimated installed cost difference between the requested pole and the Company's standard metal street lighting pole.
 - (d) Standard wood poles and guys may be provided at the same charges as in (3) below when provided solely to support traffic signals.
- (2) Service using overhead conductors is not available in any area designated by the Company as underground distribution area, nor in any area, location, or premises being served from an underground source. There will be no extra charge for underground conductors to luminaires installed in areas where the Company at its own option has determined that underground distribution facilities should be installed.
- (3) For areas outside municipal limits: Location of the luminaire or luminaires in areas outside of municipal limits shall be designated by the Customer but the location must be within the distance which can be reached by a secondary extension from the Company's nearest distribution facilities. Should the number of poles in the secondary extension required to serve the luminaire(s) exceed the number of poles on which bracket-mounted luminaires are installed, a monthly charge of \$1.75 per pole shall be made for such excess number of poles. Should the installation include downguys or spanguys, a charge of \$.60 per month per guy shall be made. When the installation requested requires a primary extension solely to serve the luminaires, an additional monthly charge of 1.7% of the estimated cost of the primary extension will be made.
- (4) All facilities necessary for service under this Schedule, including fixtures, lamps, controls, poles, hardware, transformers, conductors, and other appurtenances shall be owned and maintained by the Company.

SCHEDULE PL (SC)
STREET AND PUBLIC LIGHTING SERVICE

- (5) Color-improved lamps installed prior to October 1, 2007 are supplied for an extra charge of \$.70 per lamp per month. For luminaires installed prior to October 1, 2007 there will be no additional charge for color-improved lamps installed as replacements for clear mercury vapor luminaires, nor for color improved lamps installed in new luminaires on or after October 1, 2007.
- (6) When two or more luminaires are installed on the same pole or other structure, the applicable monthly charges for each luminaire other than the first will be reduced \$1.75.
- (7) "Suburban" luminaires are defined as standard NEMA-style fixtures with refractors and vertical-burning lamps. "Urban" luminaires are defined as "cobra-style" fixtures with enclosed refractive or flat lenses and horizontal-burning lamps.
- (8) At the Company's option and upon customer request, a monitoring device which automatically notifies the Company when a luminaire has failed can be installed for an additional charge of \$2.50, per month, per luminaire.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of contract may be from a minimum of three (3) years to a maximum of ten (10) years. Contracts will continue after the original term until terminated by either party on thirty days' written notice. The Customer may amend or terminate the Agreement before the expiration of the initial Contract Period by paying to the Company a sum of money equal to 40% of the monthly bills which otherwise would have been rendered for the remaining term of the initial Contract Period, less the monthly bills for the initial term of contract of any successor customer who has applied for lighting service at the premises prior to the effective date of the contract amendment or termination, provided, however, this amount shall not be less than zero. The Company may require a deposit not to exceed 40% of the revenue for the original term. The deposit will be returned at the end of the original term, provided the Customer has met all provisions of the contract. Minimum term of contract for specific situations shall be:

- (a) Three years for all luminaires designated as standard by the Company and bracket-mounted on standard poles.
- (b) Ten years for all luminaires designated as decorative or nonstandard by the Company, and for all standard luminaires mounted on supports other than standard wood poles, and for primary extensions solely serving the luminaires.

Duke Energy Carolinas, LLC

Electricity No. 4

South Carolina Thirty-Third (Proposed) Revised Leaf No. 18
Superseding South Carolina Thirty-Second Revised Leaf No. 18

SCHEDULE RB (SC)
RESIDENTIAL SERVICE

AVAILABILITY (South Carolina Only)

This Schedule is cancelled and no longer available.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Sixth (Proposed) Revised Leaf No. 13
Superseding South Carolina Thirty-Fifth Revised Leaf No. 13

SCHEDULE RE (SC)
RESIDENTIAL SERVICE
ELECTRIC WATER HEATING AND SPACE CONDITIONING

AVAILABILITY (South Carolina Only)

Available only to residential customers in residences, condominiums, mobile homes, or individually-metered apartments which provide independent and permanent facilities complete for living, sleeping, eating, cooking, and sanitation. In addition, all energy required for all water heating, cooking, clothes drying, and environmental space conditioning must be supplied electrically, and all electric energy used in such dwelling must be recorded through a single meter.

To qualify for service under this Schedule, the environmental space conditioning system and a separate electric water heater must permanently be installed in accordance with sound engineering practices and the manufacturer's recommendations, and both shall meet the requirements shown under Rate Categories and Requirements below.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider NM, under special terms and conditions expressed in writing in the contract with the customer.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

I.	Basic Facilities Charge per month	\$ 8.72
II.	Energy Charges	
	For the first 1000 kWh used per month, per kWh	9.1500 ¢
	For all over 1000 kWh used per month, per kWh	9.9466 ¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to, all service supplied under this Schedule.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Sixth (Proposed) Revised Leaf No. 13
Superseding South Carolina Thirty-Fifth Revised Leaf No. 13

SCHEDULE RE (SC)
RESIDENTIAL SERVICE
ELECTRIC WATER HEATING AND SPACE CONDITIONING

REQUIREMENTS

An electric water heater meeting the specifications set forth below must be installed and used to supply the entire water heating requirements, except that which may be supplied by non-fossil sources such as solar.

1. Water heaters shall be of the automatic insulated storage type, of not less than 30-gallon capacity and may be equipped with only a lower element or with a lower element and an upper element.
2. Water heaters having only a lower element may have wattages up to but not exceeding the wattages shown below for various tank capacities.

<u>Tank Capacity in Gallons</u>	<u>Maximum Single Element Wattage</u>
30 – 49	4500
50 – 119	5500
120 and larger	Special approval

3. The total wattage of the elements in a water heater with a lower element and an upper element may not exceed the specific wattages above unless the water heater has interlocking thermostats to prevent simultaneous operation of the two elements such that the maximum wattage is not exceeded during operation.

Electric space conditioning meeting the specifications set forth below must be installed and used to supply the entire space conditioning requirements, except that which may be supplied by supplemental non-fossil sources such as solar.

1. Room-type systems shall be controlled by individual room thermostats.
2. Heat pumps shall be controlled by two-stage heating thermostats, the first stage controlling compressor operation and the second stage controlling all auxiliary resistance heaters. Auxiliary heaters shall be limited to 48 amps (11.5 KW at 240 volts) each and shall be switched so that the energizing of each successive heater is controlled by a separate adjustable outdoor thermostat. A manual switch for by-pass of the first stage and the interlock of the second stage of the heating thermostat will be permitted.
3. Excess heating capacity (15% more than total calculated heat losses) may be disconnected at the option of the Company.
4. Total heat loss shall not exceed 30 BTUH (at 60 degrees F. temperature differential) per square foot of net heated area. Duke Power's procedure for calculating heat loss or the current edition of ASHRAE (American Society of Heating, Refrigerating, and Air Conditioning Engineers) Guide shall be the source for heat loss calculations. Duct or pipe losses shall be included in the computation of total heat losses.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee, or other fee assessed by or remitted to a state or local government authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

Duke Energy Carolinas, LLC

Electricity No.4
South Carolina Thirty-Fifth (Proposed) Revised Leaf No. 11
Superseding South Carolina Thirty-Fourth Revised Leaf No. 11

SCHEDULE RS (SC) RESIDENTIAL SERVICE

AVAILABILITY (South Carolina Only)

Available only to residential customers in residences, condominiums, mobile homes, or individually-metered apartments which provide independent and permanent facilities complete for living, sleeping, eating, cooking, and sanitation.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider NM, under special terms and conditions expressed in writing in the contract with the customer.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

- Single-phase, 120/240 volts; or
- 3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

I.	Basic Facilities Charge per month	\$ 8.72
II.	Energy Charges	
	For the first 1000 kWh used per month, per kWh	10.3437 ¢
	For all over 1000 kWh used per month, per kWh	11.2821 ¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to, all service supplied under this Schedule.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local government authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

Duke Energy Carolinas, LLC

Electricity No. 4

South Carolina Thirty-Fifth (Proposed) Revised Leaf No. 15
Superseding South Carolina Thirty-Fourth Revised Leaf No. 15SCHEDULE RT (SC)
RESIDENTIAL SERVICE, TIME-OF-USEAVAILABILITY (South Carolina Only)

Available on a voluntary basis to individually-metered residential customers in residences, condominiums, mobile homes, or apartments which provide independent and permanent facilities for living, sleeping, eating, cooking, and sanitation.

Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider NM, under special terms and conditions expressed in writing in the contract with the customer.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts; or

3-phase, 208Y/120 volts; or other available voltages at the Company's option.

Motors in excess of 2 H. P., frequently started, or arranged for automatic control, must be of a type to take the minimum starting current and must be equipped with controlling devices approved by the Company.

Three-phase service will be supplied, if available. Where three-phase and single-phase service is supplied through the same meter, it will be billed on the rate below. Where three-phase service is supplied through a separate meter, it will be billed on the applicable General Service schedule.

RATE:

I. Basic Facilities Charge per month		\$12.42	
		Summer Months	Winter Months
		<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
II. On-Peak Demand Charge per month, per kW		\$7.66	\$3.83
III. Energy Charge			
a. On-Peak energy per month, per kWh		7.0037¢	7.0037¢
b. Off-Peak energy per month, per kWh		5.8340¢	5.8340¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62 Energy Efficiency Rider

Leaf No. 65 Demand Side Management Revenue Credit Adjustment Rider

Leaf No. 77 Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

On-Peak Period Hours	Summer Months	Winter Months
	<u>June 1 – September 30</u>	<u>October 1 – May 31</u>
	1:00 p.m. – 7:00 p.m.	7:00 a.m. – 12:00 noon
	Monday – Friday	Monday - Friday
Off-Peak Period Hours	All other weekday hours and all Saturday and Sunday hours.	
	All hours for the following holidays shall be considered as Off-Peak:	
	New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving Day and Christmas Day.	

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fifth (Proposed) Revised Leaf No. 15
Superseding South Carolina Thirty-Fourth Revised Leaf No. 15

SCHEDULE RT (SC)
RESIDENTIAL SERVICE, TIME-OF-USE

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken each month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

The On-Peak Demand for billing purposes each month shall be the maximum integrated thirty-minute demand measured for the On-Peak period during the month for which the bill is rendered.

MINIMUM BILL

The minimum bill shall be the Basic Facilities Charge.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 21
Superseding South Carolina First Revised Leaf No. 21

SCHEDULE SGS (SC)
GENERAL SERVICE

AVAILABILITY (South Carolina Only)

Available to the individual customer with a kilowatt demand of 75 kW or less. If the customer's measure demand exceeds 75 kW during any month, the customer will be served under Schedule LGS.

Service under this Schedule shall be used solely by the contracting Customer in a single enterprise, located entirely on a single, contiguous premises.

This Schedule is not available to the individual customer who qualifies for a residential or industrial schedule nor for auxiliary or breakdown service. Power delivered under this schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company, except at the option of the Company, or for service in conjunction with Rider NM, under special terms and conditions expressed in writing in the contract with the Customer.

The obligations of the Company in regard to supplying power are dependent upon its securing and retaining all necessary rights-of-way, privileges, franchises and permits, for the delivery of such power. The Company shall not be liable to any customer or applicant for power in the event it is delayed in, or is prevented from, furnishing the power by its failure to secure and retain such rights-of-way, rights, privileges, franchises and permits.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at one of the following approximate voltages, where available:

Single-phase, 120/240 volts, 120/208 volts, 240/480 volts or other available single-phase voltages at the company's option; or
3-phase, 208Y/120 volts, 460Y/265 volts, 480Y/277 volts; or
3-phase, 3-wire, 240, 460, 480, 575, or 2300 volts; or
3-phase, 4160Y/2400, 12470Y/7200, or 24940Y/14400 volts; or
3-phase voltages other than those listed above may be available at the Company's option if the size of the Customer's contract warrants a substation solely to serve that Customer, and if the Customer furnishes suitable outdoor space on the premises to accommodate a ground-type transformer installation, or substation, or a transformer vault built in accordance with the Company's specifications.

The type of service supplied will depend upon the voltage available. Prospective customers should determine the available voltage by contacting the nearest office of the Company before purchasing equipment.

Motors of less than 5 H.P. may be single-phase. All motors of more than 5 H.P. must be equipped with starting compensators. The Company reserves the right, when in its opinion the installation would not be detrimental to the service of the Company, to permit other types of motors.

RATE:

I.	Basic Facilities Charge per month	\$11.38
II.	Demand Charge	
	For the first 30 kW of Billing Demand per kW, per month	No Charge
	For all over 30 kW of Billing Demand per kW, per month	\$ 4.02
II.	Energy Charge	
	<u>For the First 125 kWh per KW Billing Demand per Month:</u>	
	For the first 3,000 kWh per month, per kWh	12.6377¢
	For the next 6,000 kWh per month, per kWh	6.6536 ¢
	For all over 9,000 kWh per month, per kWh	5.6806 ¢
	<u>For the Next 275 kWh per KW Billing Demand per Month:</u>	
	For the first 3000 kWh per month, per kWh	6.7399 ¢
	For the next 6,000 kWh per month, per kWh	6.6643 ¢
	For all over 9,000 kWh per month, per kWh	5.8973 ¢
	<u>For all Over 400 kWh per KW Billing Demand per Month:</u>	
	For all kWh per month, per kWh	5.2022 ¢

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 21
Superseding South Carolina First Revised Leaf No. 21

**SCHEDULE SGS (SC)
GENERAL SERVICE**

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

DETERMINATION OF BILLING DEMAND

The Billing Demand each month shall be the largest of the following:

1. The maximum integrated thirty-minute demand measured during the month for which the bill is rendered.
2. Fifty percent (50%) of the maximum integrated thirty-minute demand during the billing months of June-September within the previous 12 months including the month for which the bill is rendered.
3. Fifty percent (50%) of the Contract Demand
4. 30 kilowatts (kW)

The Company will install a permanent demand meter when the monthly usage of the Customer equals or exceeds 3,000 kWh per month, or when tests indicate a demand of 15 kW or more. The Company may, at its option, install a demand meter for any customer served under this schedule.

MINIMUM BILL

The minimum bill shall be the bill calculated on the Rate above including the Basic Facilities Charge, Demand Charge and Energy Charge, but the bill shall not be less than the amount determined as shown below according to the type of minimum selected by the Company:

Monthly

\$ 1.86 per kW per month of the Contract Demand

If the Customer's measured demand exceeds the Contract Demand, the Company may, at any time, establish the minimum based on the maximum integrated demand in the previous 12 months including the month for which the bill is rendered, instead of the Contract Demand.

Annual

\$ 35.45 per kW per year of the Contract Demand

The Company may choose this option when the Customer's service is seasonal or erratic, or it may offer the Customer a monthly minimum option.

Unless otherwise specified in the contract, the billing procedure for annual minimums will be as follows:

For each month of the contract year when energy is used, a monthly bill will be calculated on the Rate above. For each month of the contract year when no energy is used, no monthly amount will be billed. The bill for the last month of the contract year will be determined as follows:

- If the total of the charges for 12 months exceeds the annual minimum, the last bill of the contract year will include only the charges for that month.
- If the total of the charges for 12 months is less than the annual minimum, the last bill of the contract year will include an amount necessary to satisfy the annual minimum.

POWER FACTOR CORRECTION

When the average monthly power factor of the Customer's power requirements is less than 85 percent, the Company may correct the integrated demand in kilowatts for that month by multiplying by 85 percent and dividing by the average power factor in percent for that month.

South Carolina Second (Proposed) Revised Leaf No. 21
Effective for service on and after February 5, 2012
PSCSC Docket No. 2011-271-E

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Second (Proposed) Revised Leaf No. 21
Superseding South Carolina First Revised Leaf No. 21

SCHEDULE SGS (SC)
GENERAL SERVICE

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under the Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

Each customer shall enter into a contract to purchase electricity from the Company for a minimum original term of one (1) year, and thereafter from year to year upon the condition that either party can terminate the contract at the end of the original term, or at any time thereafter by giving at least sixty (60) days' previous notice of such termination in writing; but the Company may require a contract for a longer original term of years where the requirement is justified by the circumstances.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Third (Proposed) Revised Leaf No. 38
Superseding South Carolina Thirty-Second Revised Leaf No. 38

**SCHEDULE TS (SC)
TRAFFIC SIGNAL SERVICE**

AVAILABILITY (South Carolina Only)

Available to municipalities in which the Company owns and operates the electric distribution system, and to County, State, and Federal Authorities, in areas served by the Company, for the energy requirements of traffic and safety signal systems wireless communications equipment, and cameras used to monitor traffic.

Power delivered under this Schedule shall not be used for resale or exchange or in parallel with other electric power, or as a substitute for power contracted for or which may be contracted for, under any other schedule of the Company.

TYPE OF SERVICE

The Company will furnish 60 Hertz service through one meter, at one delivery point, at 120/240 volts, single-phase.

RATE:

Basic Facilities Charge, per month	\$ 4.11
For the first 50 kWh used per month, per kWh	29.1261¢
For all over 50 kWh used per month, per kWh	8.8869¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under this Schedule.

DEFINITION OF "MONTH"

The term "month" as used in this Schedule means the period intervening between meter readings for the purposes of monthly billing. Readings are taken once a month at intervals of approximately thirty (30) days.

MINIMUM BILL

\$4.11 per month

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local governmental authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the fifteenth day after the date of the bill. If any bill is not so paid, the Company has the right to suspend service. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of, and be due and payable with, the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year and thereafter until terminated by either party on thirty days' written notice.

If the Customer requests an amendment to or termination of the service agreement before the expiration of the initial term of the agreement, the Customer shall pay to the Company an early termination charge as set forth in the Company's Service Regulations.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 17
Superseding South Carolina Thirty-Third Revised Leaf No. 17

SCHEDULE WC (SC)
RESIDENTIAL WATER HEATING SERVICE
CONTROLLED / SUBMETERED

AVAILABILITY (South Carolina Only)

Available only for domestic water heating purposes to individually metered residential customers receiving concurrent service on Schedule RS, RE, or ES.

This Schedule is available on a voluntary basis, at the Company's option, in areas where the Company operates load control devices. Residential controlled submetered water heating service is available where the following requirements are met:

1. All water heating requirements for the residence must be supplied electrically, except those provided by non-fossil sources of energy such as solar.
2. All electric energy required for a water heating system (i.e., wired and plumbed together) must be controlled and served through the submeter.
3. Water heaters shall be of the automatic insulated storage type, of not less than 30-gallon capacity, and may be equipped with only a lower element or with a lower element and an upper element.
4. Water heaters having only a lower element may have wattages up to but not exceeding the wattages shown below for various tank capacities.

<u>Tank Capacity in Gallons</u>	<u>Maximum Single Element Wattage</u>
30 - 49	4500
50 - 119	5500
120 and larger	Special approval

5. The total wattage of the elements in a water heater with a lower element and an upper element may not exceed the specific wattages above unless the water heater has interlocking thermostats to prevent simultaneous operation of the two elements such that the maximum wattage is not exceeded during operation.
6. More than one water heater in a residence may be served under this Schedule provided each individually meets the above requirements, and provided their total wattage is interlocked to prevent simultaneous operation of more than 5500 watts. A higher simultaneous operating wattage may be allowed with special approval of the Company for water heating systems with storage tank capacity of 120 gallons or more.
7. Water heating for the purpose of space heating is not permitted under this Schedule.
8. The Company shall have the right to require that the owner of the controlled equipment give satisfactory written approval for the Company's installation and operation of load control devices on that equipment before entering an agreement with the Customer and making such installation.

TYPE OF SERVICE

This service is solely for the purpose of water heating and will be provided from the Company's 60 Hertz, single-phase residential service. This service will be controlled by the Company using a load control device, and submetered in the Customer's water heater circuit. The Company shall have the right to interrupt service to the Customer's water heater under this Schedule. All water heating controlled under this Schedule shall be served through a single submeter. The submetered service will be available at least six hours out of twenty-four hours.

RATE:

Basic Facilities Charge per month	\$ 1.81
All kWh per month, per kWh	4.6341¢

RIDERS

The following Riders are applicable to service supplied under this schedule. The currently approved cents/kWh rider increment or decrement must be added to the cents/kWh rates shown above to determine the monthly bill.

Leaf No. 62	Energy Efficiency Rider
Leaf No. 65	Demand Side Management Revenue Credit Adjustment Rider
Leaf No. 77	Coal Inventory Rider

ADJUSTMENT FOR FUEL COSTS

The Company's Adjustment for Fuel Costs is incorporated as a part of, and will apply to all service supplied under, this Schedule.

Duke Energy Carolinas, LLC

Electricity No. 4
South Carolina Thirty-Fourth (Proposed) Revised Leaf No. 17
Superseding South Carolina Thirty-Third Revised Leaf No. 17

SCHEDULE WC (SC)
RESIDENTIAL WATER HEATING SERVICE
CONTROLLED / SUBMETERED

INSTALLATION FEE

Service under this Schedule requires a water heater circuit wired through a Company meter enclosure, exclusive of any other load, and suitable for the installation of a load control device. The Customer shall pay a fee as follows:

Prewired for controlled submetered water heating service	No charge
Additional wiring for controlled submetered water heating service	\$35.00
Concurrent installation of additional wiring for controlled submetered water heating service, and air conditioning load control under Rider PM	\$50.00

The Company will not be required to install additional wiring for the charges listed above if the Company determines the wiring cannot be done in a manner which is economically feasible.

SALES TAX AND MUNICIPAL FEES

Any applicable sales tax, municipal service agreement fee, business license fee or other fee assessed by or remitted to a state or local government authority will be added to the charges determined above.

PAYMENT

Bills under this Schedule are due and payable on the date of the bill at the office of the Company. Bills are past due and delinquent on the twenty-fifth day after the date of the bill. In addition, all bills not paid by the twenty-fifth day after the date of the bill shall be subject to a one and one-half percent (1 1/2%) late payment charge on the unpaid amount. This late payment charge shall be rendered on the following month's bill and it shall become part of and be due and payable with the bill on which it is rendered.

CONTRACT PERIOD

The original term of this contract shall be one year, and thereafter, until terminated by either party on thirty days' written notice. If within the first year the Customer wishes to discontinue this submetered service but continue service at the same location, the Customer will pay a \$25.00 service charge.

Duke Energy Carolinas, LLC
Docket No. 2011-271-E
Proposed Billing Units and Revenue
For the Test Year Ended December 31, 2010
Present Rate Schedule Effective 10/01/10

Rate	(a) ¹ Present Revenues Annualized	(b) Proposed Revenues Annualized	(c) Increase	(d) Percent Increase (Decrease)
RS	\$364,456,731	\$420,438,974	\$55,982,243	15.36%
RS-ES	278,477	320,026	41,549	14.92%
RE	292,055,771	348,323,142	56,267,370	19.27%
RE-ESA(27)	221,900	263,858	41,958	18.91%
Residential	657,012,879	769,346,000	112,333,121	17.10%
BC(49)	259,961	323,101	63,140	24.29%
SGS ²	136,306,800	149,087,899	12,781,099	9.38%
LGS ²	95,203,200	108,253,000	13,049,800	13.71%
General ²	231,769,961	257,664,000	25,894,039	11.17%
OPT-I ³	388,347,901	438,727,994	50,380,093	12.97%
OPT-G ³	183,441,223	209,357,006	25,915,783	14.13%
OPT	571,789,124	648,085,000	76,295,876	13.34%
PG	508,013	572,836	64,822	12.76%
I	46,739,693	52,579,164	5,839,471	12.49%
I	47,247,706	53,152,000	5,904,294	12.50%
PL (72)	5,429,942	6,510,430	1,080,488	19.90%
OL (25,34,35,36)	19,867,586	22,337,226	2,469,639	12.43%
FL (26,37,38,39)	8,076,951	9,152,023	1,075,072	13.31%
GL	23,892	29,701	5,809	24.32%
TS(83)	336,048	487,001	150,953	44.92%
Lighting	33,734,419	38,516,380	4,781,961	14.18%
Total Retail South Carolina	\$1,541,554,089	\$1,766,763,380	\$225,209,291	14.61%

¹ Revenues at 2/1/2010 rates using Billing Units + Test Year Rider Adjustments + Spread Factor Adjustment

² SGS and LGS schedules include G,GA,GB accounts that were migrated in 1Q 2010

³ OPT includes schedule MP sales

RESIDENTIAL BILL COMPARISONS

PROPOSED SOUTH CAROLINA RATE SCHEDULE RS COMPARED TO PRESENT SOUTH CAROLINA RATE SCHEDULE RS

(ALL MONTHS)

kWh	PRESENT SCHEDULE REVENUE	PROPOSED SCHEDULE REVENUE	PERCENT INCREASE
0	\$6.79	\$8.72	28.4%
250	\$29.43	\$34.58	17.5%
500	\$52.06	\$60.44	16.1%
1000	\$97.33	\$112.16	15.2%
2000	\$195.82	\$224.98	14.9%
3000	\$294.30	\$337.80	14.8%
4000	\$392.79	\$450.62	14.7%
5000	\$491.27	\$563.44	14.7%
6000	\$589.76	\$676.26	14.7%

PROPOSED SOUTH CAROLINA RATE SCHEDULE RE COMPARED TO PRESENT SOUTH CAROLINA RATE SCHEDULE RE

(ALL MONTHS)

kWh	PRESENT SCHEDULE REVENUE	PROPOSED SCHEDULE REVENUE	PERCENT INCREASE
0	\$6.79	\$8.72	28.4%
250	\$26.08	\$31.60	21.1%
500	\$45.37	\$54.47	20.1%
1000	\$83.95	\$100.22	19.4%
2000	\$167.57	\$199.69	19.2%
3000	\$251.20	\$299.15	19.1%
4000	\$334.82	\$398.62	19.1%
5000	\$418.44	\$498.08	19.0%
6000	\$502.06	\$597.55	19.0%

**GENERAL & INDUSTRIAL SERVICE
BILL COMPARISONS**

PROPOSED SOUTH CAROLINA RATE SCHEDULE SGS
COMPARED TO
PRESENT SOUTH CAROLINA RATE SCHEDULE SGS

BILLING DEMAND kW	kWh	PRESENT SCHEDULE REVENUE	PROPOSED SCHEDULE REVENUE	PERCENT INCREASE
15	350	\$49.21	\$55.61	13.00%
15	750	\$95.87	\$106.16	10.74%
15	1,500	\$183.34	\$200.95	9.60%
30	6,000	\$548.32	\$592.06	7.98%
75	15,000	\$1,273.59	\$1,369.06	7.50%

PROPOSED SOUTH CAROLINA RATE SCHEDULE I
COMPARED TO
PRESENT SOUTH CAROLINA RATE SCHEDULE I

BILLING DEMAND kW	kWh	PRESENT SCHEDULE REVENUE	PROPOSED SCHEDULE REVENUE	PERCENT INCREASE
75	15,000	\$1,196.83	\$1,356.62	13.35%
150	30,000	\$2,337.21	\$2,646.19	13.22%
300	60,000	\$4,617.97	\$5,225.34	13.15%
500	200,000	\$13,557.77	\$15,206.81	12.16%
1,000	400,000	\$25,791.84	\$28,819.23	11.74%
5,000	2,000,000	\$118,374.62	\$131,342.63	10.96%
10,000	4,000,000	\$234,103.09	\$259,496.88	10.85%

PROPOSED SOUTH CAROLINA RATE SCHEDULE LGS
COMPARED TO
PRESENT SOUTH CAROLINA RATE SCHEDULE LGS

BILLING DEMAND kW	kWh	PRESENT SCHEDULE REVENUE	PROPOSED SCHEDULE REVENUE	PERCENT INCREASE
75	15,000	\$1,284.12	\$1,471.77	14.61%
150	30,000	\$2,504.86	\$2,860.56	14.20%
300	60,000	\$4,945.84	\$5,637.55	13.99%
500	200,000	\$14,647.68	\$16,558.61	13.05%
1,000	400,000	\$27,995.76	\$31,540.98	12.66%
5,000	2,000,000	\$132,375.54	\$148,495.08	12.18%
10,000	4,000,000	\$262,850.26	\$294,687.70	12.11%

**GENERAL & INDUSTRIAL SERVICE
BILL COMPARISONS**

PROPOSED SOUTH CAROLINA RATE SCHEDULE OPT
COMPARED TO
PRESENT SOUTH CAROLINA RATE SCHEDULE OPT
(JUNE - SEPTEMBER)

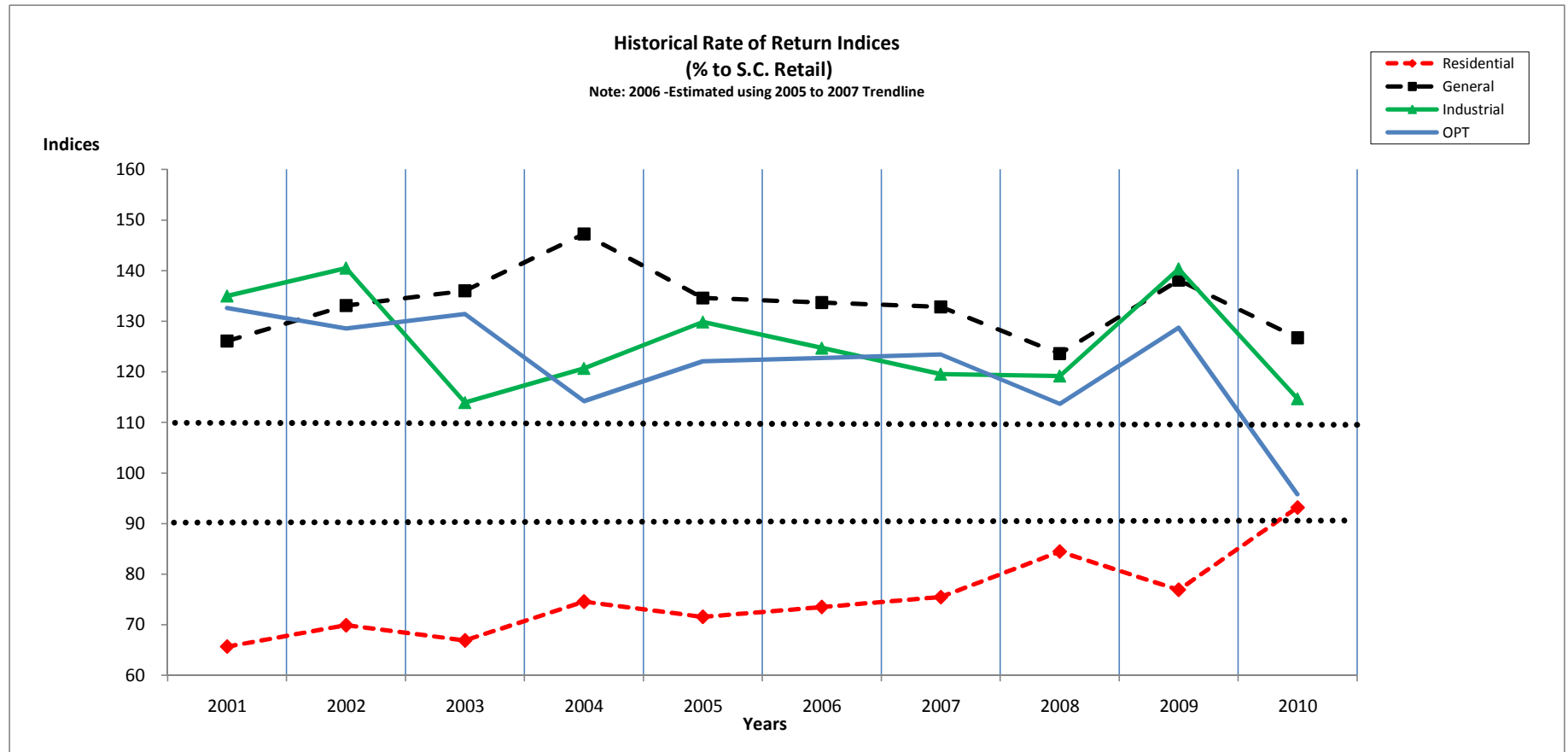
BILLING DEMAND kW	kWh	PRESENT SCHEDULE REVENUE	PROPOSED SCHEDULE REVENUE	PERCENT INCREASE
75	15,000	\$1,620.12	\$1,954.04	20.61%
150	30,000	\$3,206.69	\$3,869.25	20.66%
300	60,000	\$6,379.85	\$7,699.67	20.69%
500	200,000	\$14,408.95	\$16,884.92	17.18%
1,000	400,000	\$28,784.36	\$33,731.01	17.19%
5,000	2,600,000	\$161,984.32	\$187,080.65	15.49%
10,000	5,100,000	\$305,413.57	\$351,170.15	14.98%

PROPOSED SOUTH CAROLINA RATE SCHEDULE OPT
COMPARED TO
PRESENT SOUTH CAROLINA RATE SCHEDULE OPT
(MAY - OCTOBER)

BILLING DEMAND kW	kWh	PRESENT SCHEDULE REVENUE	PROPOSED SCHEDULE REVENUE	PERCENT INCREASE
75	15,000	\$1,186.28	\$1,397.90	17.84%
150	30,000	\$2,339.02	\$2,756.97	17.87%
300	60,000	\$4,644.50	\$5,475.10	17.88%
500	200,000	\$11,434.56	\$13,071.99	14.32%
1,000	400,000	\$22,835.59	\$26,105.15	14.32%
5,000	2,600,000	\$132,364.10	\$149,109.66	12.65%
10,000	5,100,000	\$249,799.78	\$279,877.29	12.04%

DUKE ENERGY CAROLINAS, LLC
DOCKET 2011-271-E
COST OF SERVICE STUDY
FOR THE TEST YEAR ENDED DECEMBER 31, 2010
(DOLLARS IN THOUSANDS)
SOUTH CAROLINA EXCLUDING GREENWOOD

Line No.	Rate Class	EE (P)	Pension Costs (Q)	DSM Revenue Credit (R)	Total Rider Revenues (V)	Present Revenues Including Rider Revenues (W)	Proposed Percent Increase Without Weather (X)	Proposed Percent Increase With Weather (Y)
1	Rate RS	\$ 19,280	\$ 1,187	\$ (10,480)	\$ 9,987	\$ 667,000	15.61%	16.84%
2	Rate RS_1	9,949	613	(5,408)	5,154	369,889	13.88%	15.15%
3	Rate RE_1	9,331	574	(5,072)	4,833	297,111	17.76%	18.95%
4	Rate GS	2,523	421	(4,320)	(1,376)	230,394	11.04%	11.24%
5	Rate SGS	1,303	218	(2,233)	(712)	135,855	9.27%	9.45%
6	Rate LGS	1,220	203	(2,087)	(664)	94,539	13.57%	13.80%
7	Rate LT	236	39	(134)	141	33,876	14.11%	14.11%
8	Rate OL	191	31	(108)	114	28,059	12.63%	12.63%
9	Rate PL	42	7	(24)	25	5,479	19.82%	19.82%
10	Rate OL_PL	233	38	(132)	139	33,538	13.81%	13.81%
11	Rate TS	3	1	(2)	2	338	44.67%	44.67%
12	Rate I	663	110	(1,761)	(988)	46,260	12.70%	12.76%
13	Rate OPT	10,869	1,809	(25,852)	(13,174)	558,615	13.49%	13.66%
14	Rate HP	-	-	-	-	-	0.00%	0.00%
15								
16	TOTAL RETAIL	\$ 33,571	\$ 3,566	\$ (42,547)	\$ (5,410)	\$ 1,536,145	14.03%	14.66%
17	HP					11,049		
18	TOTAL RETAIL					\$ 1,547,194		14.56%
19								
20								



STATEMENT REGARDING PROBABLE EFFECT OF
PROPOSED RATES ON PEAK DEMANDS AND SALES

The following forecast from the Spring 2011 Forecast incorporates the effect of the expected rate increase on forecasted peaks and sales. Overall we expect the effect to be small.

The Company estimates that the kilowatt-hours which will be used by our South Carolina Retail customers during the ensuing one year and the following five years are as follows:

SC Retail GWH

2011	20,996
2012	21,359
2013	21,694
2014	22,057
2015	22,341
2016	22,616

Duke Energy Carolinas, LLC
Docket No. 2011-271-E
Schedule of Class Increases

(Dollars in Thousands)

	Present Revenues Including Rider Revenues	Proposed Increase	Percent Increase
Residential	\$667,000	\$112,333	16.84%
Commercial Rate GS	\$230,394	\$25,894	11.24%
Industrial Rate I	\$46,260	\$5,904	12.76%
Commercial / Industrial Rate OPT	\$558,615	\$76,296	13.66%
Lighting	\$33,876	\$4,781	14.11%
Total	\$1,536,145	\$225,208	14.66%